UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: March 31, 2019

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

Commission File Number: 000-31810

Cinedigm Corp.

(Exact name of registrant as specified in its charter)

Delaware	**22-3720962**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
45 West 36th Street, 7th Floor, New York, NY	**10018**
(Address of principal executive offices)	(Zip Code)

(212) 206-8600
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
CLASS A COMMON STOCK, PAR VALUE $0.001 PER SHARE	**CIDM**	**NASDAQ GLOBAL MARKET**

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 15(d) of the Exchange Act. Yes ☐ No ☒

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

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

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

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

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

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the issuer based on a price of $1.16 per share, the closing price of such common equity on the Nasdaq Global Market, as of September 30, 2018 , was $15,825,633 . For purposes of the foregoing calculation, all directors, officers and shareholders who beneficially own 10% of the shares of such common equity have been deemed to be affiliates, but the Company disclaims that any of such persons are affiliates.

As of July 08, 2019 , 35,723,638 shares of Class A Common Stock, $0.001 par value were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

NONE.

CINEDIGM CORP.
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FORWARD-LOOKING STATEMENTS

Various statements contained in this report or incorporated by reference into this report constitute “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements are based on current expectations and are indicated by words or phrases such as “believe,” “expect,” “may,” “will,” “should,” “seek,” “plan,” “intend” or “anticipate” or the negative thereof or comparable terminology, or by discussion of strategy. Forward-looking statements represent as of the date of this report our judgment relating to, among other things, future results of operations, growth plans, sales, capital requirements and general industry and business conditions applicable to us. Such forward-looking statements are based largely on our current expectations and are inherently subject to risks and uncertainties. Our actual results could differ materially from those that are anticipated or projected as a result of certain risks and uncertainties, including, but not limited to, a number of factors, such as:

- successful execution of our business strategy, particularly for new endeavors;
- the performance of our targeted markets;
- competitive product and pricing pressures;
- changes in business relationships with our major customers;
- successful integration of acquired businesses;
- the content we distribute through our in-theatre, on-line and mobile services may expose us to liability;
- general economic and market conditions;
- the effect of our indebtedness on our financial condition and financial flexibility, including, but not limited to, the ability to obtain necessary financing for our business; and
- the other risks and uncertainties that are set forth in Item 1, “Business”, Item 1A "Risk Factors" and Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Except as otherwise required to be disclosed in periodic reports required to be filed by public companies with the Securities and Exchange Commission (“SEC”) pursuant to the SEC's rules, we have no duty to update these statements, and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks and uncertainties, we cannot assure you that the forward-looking information contained in this report will in fact transpire.

In this report, “Cinedigm,” “we,” “us,” “our” and the “Company” refers to Cinedigm Corp. and its subsidiaries unless the context otherwise requires.

PART I

ITEM 1. BUSINESS

OVERVIEW

Cinedigm Corp. was incorporated in Delaware on March 31, 2000 (“Cinedigm”, and collectively with its subsidiaries, the “Company”). We are (i) a leading distributor and aggregator of independent movie, television and other short form content managing a library of distribution rights to thousands of titles and episodes released across digital, physical, and home and mobile entertainment platforms as well as (ii) a leading servicer of digital cinema assets on over 12,000 domestic and foreign movie screens.

Since our inception, we have played a significant role in the digital distribution revolution that continues to transform the media landscape. In addition to our pioneering role in transitioning over 12,000 movie screens from traditional analog film prints to digital distribution, we have become a leading distributor of independent content, both through organic growth and acquisitions. We distribute products for major brands such as Hallmark, Televisa, ITV, Nelvana, ZDF, Shout! Factory, NFL, NHL and Scholastic as well as leading international and domestic content creators, movie producers, television producers and other short form digital content producers. We collaborate with producers, major brands and other content owners to market, source, curate and distribute quality content to targeted audiences through (i) existing and emerging digital home entertainment platforms, including Apple, Amazon Prime, Netflix, Hulu, Xbox, PlayStation, Walmart Now and cable/satellite video-on-demand ("VOD") and (ii) packaged distribution of DVD and Blu-ray discs to wholesalers and retailers with sales coverage to over 60,000 brick and mortar storefronts, including Walmart, Target, Best Buy and Amazon. In addition, we operate a growing number of branded and curated over-the-top ("OTT") entertainment channels, including Docurama, CONtv and Dove Channel.

Change of Reportable Segments

We previously had four reportable segments. As of April 1, 2018, information that our Chief Operating Decision Maker ("CODM") regularly reviews, for purposes of evaluating Company performance has been aggregated due to the winding down of Cinedigm Digital Funding I, LLC ("CDF I"). As a result, the Company reassessed and decided to revise its determination of the reportable segments. We now present our results of operations in two reportable segments as follows: (1) Cinema Equipment Business and (2) Content and Entertainment Business ("Content & Entertainment" or "CEG"). See Note 9 - *Segment Information* for detailed descriptions of our segments. We have retrospectively recast the results of operations for the reportable segments for all periods presented.

We are structured so that our Cinema Equipment Business operates independently from our Content & Entertainment business. As of March 31, 2019 , we had approximately $20.6 million of non-recourse outstanding debt principal that relates to, and is serviced by, our Cinema Equipment Business. We also have approximately $44.8 million of outstanding debt principal, as of March 31, 2019 that is attributable to our Content & Entertainment and Corporate segments.

CONTENT & ENTERTAINMENT

Content Distribution and our OTT Entertainment Channels and Applications

Cinedigm Entertainment Group, or CEG, is a leading independent content distributor in North America as well as an innovator and leader in the quickly evolving OTT digital network business. We are unique among most independent distributors because of our direct relationships with thousands of physical retail locations and digital platforms, including Walmart, Target, Apple, Netflix and Amazon, as well as the national Video on Demand platforms. Our library of films and television episodes encompass award winning documentaries from Docurama Films®, acclaimed independent films, festival picks and a wide range of content from brand name suppliers, including Scholastic, NFL, Shout! Factory and Hallmark.

Additionally, we are leveraging our infrastructure, technology, content and distribution expertise to rapidly and cost effectively build and expand our OTT digital network business. Our first channel, Docurama, launched in May 2014 as an advertising supported video on demand service ("AVOD") across most Internet connected devices and now contains hundreds of documentary films to stream. In December 2015, we successfully transitioned Docurama to a subscription video on demand ("SVOD") service with its launch on Amazon Prime. In March 2015, we launched CONtv in partnership with Wizard World, Inc., a fandom and pop culture entertainment targeted lifestyle channel and "Freemium" service with both AVOD and SVOD components. Our Freemium business model provides users with free content and the ability to upgrade to a selection of premium services by paying subscription fees. CONtv is one of the largest Freemium OTT channels available in terms of hours of content, with over 3,000 hours of film and television episodes, including original programs and live coverage of Comic-Con and pop culture events from around the country. In the fall of 2015, we introduced our third OTT channel, Dove Entertainment Channel, which is a family entertainment service providing high-quality film and television programs approved by the Dove Foundation. In April 2018, we launched two channels: Wham Network, which is an entertainment, news and lifestyle channel targeting the eSports industry; and COMBAT GO, a 24/7, mixed martial arts, worldwide combat channel. We now have a total of five networks distributed, and four to five more in our development pipeline slated to roll out over the next 12 months.

We distribute our OTT content in two distinct ways: direct to consumer, through major application platforms such as the web, iOS, Android, Roku, AppleTV, Amazon Fire, Vizio, and Samsung; and through third party distributors of content on emerging platforms such as Amazon Prime, Twitch, Xumo and Sling/ Dish.

CEG has focused its activities in the areas of: (1) ancillary market aggregation and distribution of entertainment content, and (2) branded and curated over-the-top OTT digital network business providing entertainment channels and applications. With these complementary entertainment distribution capabilities, we believe that we are capitalizing on the key drivers of value that we believe are critical to success in content distribution going forward. Our CEG segment holds direct relationships with physical retail locations and digital platforms, including Walmart, Target, Apple, Netflix and Amazon, as well as the national Video on Demand platforms.

Our Strategy

Direct to consumer digital distribution of film and television content over the Internet is rapidly growing. We believe that our large library of film and television episodes, long-standing relationships with digital platforms, up-to-date technologies and four years of experience operating OTT channels, will allow us to continue to build a diversified portfolio of narrowcast OTT channels that generate recurring revenue streams from advertising, merchandising and subscriptions. We plan to launch niche

channels that make use of our existing library of titles, while partnering with strong brands that bring name recognition, marketing support and an existing customer base for new channel opportunities.

Rapid changes in the entertainment landscape require that we continually refine our strategy to adapt to new technologies and consumer behaviors. For example, we have added acquisitions of home entertainment content to focus on long-term partnerships with producers of high quality, cast-driven, genre content, to our traditional catalog-based titles business. In recent years, we acquired all North American distribution rights to a variety of new and original films. In addition, we have accelerated our efforts to be a leader in the OTT digital network business, where we can leverage our existing infrastructure and library, in partnership with well-known brands, to distribute our content direct-to-consumers.

We believe that we are well positioned to succeed in the OTT channel business for the following key reasons:

- Four years of history operating OTT channels with millions of downloads, hundreds of thousands of registered users, and hundreds of millions of discrete data points on our customer’s behavior and preferences,
- The depth and breadth of our almost 50,000 title film and television episode library,
- Our digital assets and deep, long-standing relationships as launch partners that cover the major digital platforms and devices,
- Our marketing expertise,
- Our flexible releasing strategies, which differ from larger entertainment companies that need to protect their legacy businesses, and
- Our experienced management team

Intellectual Property

We own certain copyrights, trademarks and Internet domain names in connection with the Content & Entertainment business. We view these proprietary rights as valuable assets. We maintain registrations, where appropriate, to protect them and monitor them on an ongoing basis.

Customers

For the fiscal year ended March 31, 2019 , two customers, Walmart and Amazon, each represented 10% or more of CEG's revenues and Amazon represented approximately 10% of our consolidated revenues.

Competition

Numerous companies are engaged in various forms of producing and distributing independent movies and alternative content. These competitors may have significantly greater financial, marketing and managerial resources than we do, may have generated greater revenue and may be better known than we are at this time.

Competitors to our Content & Entertainment segment are as follows:

- Entertainment One (eOne) Ltd.
- IFC Entertainment
- Lionsgate Entertainment
- Magnolia Pictures
- Pure Flix
- RLJ Entertainment, Inc.
- Warner Brothers Digital Networks
- AMC Networks

CINEMA EQUIPMENT BUSINESS

As discussed above, we have retrospectively recast the operating segments for the prior period. The Phase I Deployment and Phase II Deployment operations consist of the following:

Operations of:	Products and services provided:
Cinema Equipment Business	Financing vehicles and administrators for 3,480 Systems installed nationwide in our first deployment phase (“Phase I Deployment”) to theatrical exhibitors and for 5,853 Systems installed domestically and internationally in our second deployment phase (“Phase II Deployment”). We retain ownership of the Systems and the residual cash flows related to the Systems in Phase I Deployment after the repayment of all non-recourse debt at the expiration of exhibitor master license agreements. For certain Phase II Deployment Systems, we do not retain ownership of the residual cash flows and digital cinema equipment in Phase II Deployment after the completion of cost recoupment and at the expiration of the exhibitor master license agreements. The Cinema Equipment Business also provides monitoring, collection, verification and management services to this segment, as well as to exhibitors who purchase their own equipment, and also collects and disburses VPFs from motion picture studios, distributors and ACFs from alternative content providers, movie exhibitors and theatrical exhibitors (collectively, “Services”).

In June 2005, we formed our Phase I Deployment segment in order to purchase up to 4,000 Systems under an amended framework agreement with Christie Digital Systems USA, Inc. (“Christie”). As of March 31, 2019 , Phase I Deployment had 3,480 Systems installed.

In October 2007, we formed our Phase II Deployment segment for the administration of up to 10,000 additional Systems. As of March 31, 2019 , Phase II Deployment had 5,853 of such Systems installed.

Our Phase I Deployment and Phase II Deployment segments own and license Systems to theatrical exhibitors and collect VPFs from motion picture studios and distributors, as well as alternative content fees ("ACFs") from alternative content providers and theatrical exhibitors, when content is shown on exhibitors' screens. We have licensed the necessary software and technology solutions to the exhibitor and have facilitated the industry's transition from analog (film) to digital cinema. As part of the Phase I Deployment of our Systems, we have agreements with nine motion picture studios and certain smaller independent studios and exhibitors, allowing us to collect VPFs and ACFs when content is shown in theatres, in exchange for having facilitated and financed the deployment of Systems. Phase 1 DC has agreements with 20 theatrical exhibitors that license our Systems in order to show digital content distributed by the motion picture studios and other providers, including Content & Entertainment, which is described below.

Beginning in December 2015, certain of our cinema equipment began to reach the conclusion of their 10-year deployment payment period with certain distributors and, therefore, Virtual Print Fee ("VPF") revenues ceased to be recognized on such Systems, related to such distributors. Furthermore, because the Phase I Deployment installation period ended in November 2007, a majority of the VPF revenue associated with the Phase I Deployment Systems has ended. As of March 31, 2019, all of our 3,480 systems from the Phase I Deployment phase of our cinema equipment business segment had ceased to earn a significant portion of VPF revenue from certain major studios, although various other studios, consisting mostly of small independent studios, will continue to pay VPFs through December 2020. We expect to continue to earn such ancillary revenue from the cinema equipment segment through December of 2020; however, such amounts are expected to be significantly less material to our consolidated financial statements. The reduction in VPF revenue on cinema equipment business systems approximately coincided with the conclusion of certain of our non-recourse debt obligations and, therefore, the reduced cash outflows related to such non-recourse debt obligations partially offset the reduced VPF revenue since November 2017.

Under the terms of our standard cinema equipment licensing agreements, exhibitors will continue to have the right to use our Systems through the end of the term of the licensing agreement, after which time, they have the option to: (1) return the Systems to us; (2) renew their license agreement for successive one-year terms; or (3) purchase the Systems from us at fair market value. As permitted by these agreements, we have begun, and expect to continue, to pursue the sale of the Systems to such exhibitors. Such sales were as originally contemplated as the conclusion of the digital cinema deployment plan. Cinedigm

completed the sale of approximately 321 digital projection Systems for an aggregate sales price of approximately $3.7 million during the year ended March 31, 2019.

Our Phase II Deployment segment has entered into digital cinema deployment agreements with eight motion picture studios, and certain smaller independent studios and exhibitors, to distribute digital movie releases to exhibitors equipped with our Systems, for which we and our wholly owned, non-consolidated subsidiary Cinedigm Digital Funding 2, LLC ("CDF2 Holdings") earn VPFs. As of March 31, 2019 , our Phase II Deployment segment also entered into master license agreements with 187 exhibitors covering 5,027 screens, whereby the exhibitors agreed to install our Systems. As of March 31, 2019, we had 5,027 Phase 2 DC Systems installed, including 3,596 screens under the exhibitor-buyer structure ("Exhibitor-Buyer"), 1,431 screens covering 23 exhibitors through CDF2.

Exhibitors paid us an installation fee of up to $2.0 thousand per screen out of the VPFs collected by our Services segment. We manage the billing and collection of VPFs and remit to exhibitors all VPFs collected, less an administrative fee of approximately 10% . For Phase 2 DC Systems we own and finance on a non-recourse basis, we typically received a similar installation fee of up to $2.0 thousand per screen and an ongoing administrative fee of approximately 10% of VPFs collected. We have recorded no debt, property and equipment, financing costs or depreciation in connection with Systems covered under the Exhibitor-Buyer Structure and CDF2 Holdings.

VPFs are earned pursuant to contracts with movie studios and distributors, whereby amounts are payable to our Phase I and Phase II deployment businesses according to fixed fee schedules, when movies distributed by studios are displayed in movie theatres using our installed Systems. One VPF is payable to us upon the initial booking of a movie, for every movie title displayed per System. Therefore, the amount of VPF revenue that we earn depends on the number of unique movie titles released and displayed using our Systems. Our Phase II Deployment segment earns VPF revenues only for Systems that it owns.

Our Phase II Deployment agreements with distributors require payment of VPFs for ten years from the date that each system is installed; however, we may no longer collect VPFs once "cost recoupment," as defined in the contracts with movie studios and distributors, is achieved. Cost recoupment will occur once the cumulative VPFs and other cash receipts collected by us have equaled the total of all cash outflows, including the purchase price of all Systems, all financing costs, all "overhead and ongoing costs," as defined, subject to maximum agreed upon amounts during the four-year roll-out period and thereafter. Furthermore, if cost recoupment occurs before the end of the eighth contract year, a one-time "cost recoupment bonus" is payable to us by the studios. Cash flows, net of expenses, received by our Phase II Deployment business, following the achievement of cost recoupment, must be returned to the distributors on a pro-rata basis. At this time, we cannot estimate the timing or probability of the achievement of cost recoupment.

Customers

No single Phase I or Phase II customer comprised more than 10% of our consolidated revenue.

Seasonality

Revenues earned by our Cinema Equipment Business segment from the collection of VPFs from motion picture studios are seasonal, coinciding with the timing of releases of movies by the motion picture studios. Generally, motion picture studios release the most marketable movies during the summer and the winter holiday season. The unexpected emergence of a hit movie during other periods can alter the traditional trend. The timing of movie releases can have a significant effect on our results of operations, and the results of one quarter are not necessarily indicative of results for the next quarter or any other quarter. The seasonality of motion picture exhibition; however, has become less pronounced as the motion picture studios are releasing movies somewhat more evenly throughout the year.

SERVICES

Our Services segment provides monitoring, billing, collection, verification and other management services to Phase 1 DC and Phase 2 DC as well as to exhibitor-buyers who purchase their own equipment. Our Services segment provides such services to the 3,480 screens in the Phase I Deployment for a monthly service fee equal to 5% of the VPFs earned by Phase 1 DC and an incentive service fee equal to 2.5% of the VPFs earned by Phase 1 DC. The Services segment also provides services to the 5,853 Phase II Systems deployed, for which we typically receive a monthly fee of approximately 10% of the VPFs earned by Phase 2 DC. The total Phase II service fees are subject to an annual limitation under the terms of our agreements with motion picture studios and are determined based upon the respective Exhibitor-Buyer Structure, KBC or CDF2 agreements. Unpaid service fees in any period remain an obligation to Phase 2 DC in the cost recoupment framework. Such fees are not recognized as income or accrued as an asset on our balance sheet given the uncertainty of the receipt and the timing thereof as future movie release and bookings are not known. Service fees are accrued and recognized only on deployed Phase II Systems. As a result, the annual service fee limitation is variable until these fees are paid.

In February 2013, we (i) assigned to our wholly owned subsidiary, Cinedigm DC Holdings LLC (“DC Holdings ”), the right and obligation to service the digital cinema projection systems from the Phase I Deployment and certain systems that were part of the Phase II Deployment, (ii) delegated to DC Holdings the right and obligation to service certain other systems that were part of the Phase II Deployment and (iii) assigned to DC Holdings the right to receive servicing fees from the Phase I and Phase II Deployments. We also transferred to DC Holdings certain of our operational staff whose responsibilities and activities relate solely to the operation of the servicing business and to provide DC Holdings with the right to use the supporting software and other intellectual property associated with the operation of the servicing business.

Our Services segment also has international servicing partnerships in Australia and New Zealand with the Independent Cinema Association of Australia and is currently servicing 530 screens as of March 31, 2019 .

Competition

Our Services segment faces limited competition domestically in its digital cinema services business as the major Hollywood movie studios have only signed digital cinema deployment agreements with five entities, including us, and the deployment period in North America is now complete. Competitors include: Digital Cinema Implementation Partners (“DCIP”), a joint venture of three large exhibitors (Regal Entertainment Group, AMC Entertainment Holdings, Inc. and Cinemark Holdings, Inc.) focused on managing the conversions of those three exhibitors; Sony Digital Cinema, to support the deployment of Sony projection equipment; Christie Digital USA, Inc., to support the deployment of Christie equipment; and GDC, Inc., to support the deployment of GDC equipment. We have a significantly greater market share than all other competitors except for the DCIP consortium, which services approximately 18,000 total screens representing its consortium members.

As we expand our servicing platform internationally, additional competitors beyond those listed above consist of Arts Alliance, Inc., a leading digital cinema servicer focused on the European markets, and GDC, as well as other potential local start-ups seeking to service a specific international market. We typically seek to partner with a leading local entity to combine our efficient servicing infrastructure and strong studio relationships with the necessary local market expertise and exhibitor relationships.

ENVIRONMENTAL

The nature of our business does not subject us to environmental laws in any material manner.

EMPLOYEES

As of March 31, 2019 , we had 104 employees, with 6 part-time and 98 full-time, of which 20 are in sales and marketing, 37 are in operations, and 41 are in executive, finance, technology and administration functions.

AVAILABLE INFORMATION

Our Internet website address is www.cinedigm.com. We will make available, free of charge at the "Investor Relations - Financial Information” section of our website, our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements and all amendments to those reports and statements filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after such reports are electronically filed with, or furnished to, the SEC.

In addition, the SEC maintains a website that contains reports, proxy and information statements, and other information regarding companies that file electronically with the Commission. This information is available at www.sec.gov , the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549 or by calling 1-800-SEC-0330.

ITEM 1A. RISK FACTORS

Risks Related to our Business

We maintain a substantial amount of outstanding indebtedness, which could impair our ability to operate our business and react to changes in our business, remain in compliance with debt covenants and make payments on our debt.

We maintain a substantial amount of outstanding indebtedness, which could impair our ability to operate our business and react to changes in our business, remain in compliance with debt covenants and make payments on our debt. Our level of indebtedness could have important consequences, including, without limitation:

- requiring a substantial portion of our cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, therefore reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities;
- limiting our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes;
- limiting our ability to pursue our growth strategy or, including restricting us from making strategic acquisitions or causing us to make nonstrategic divestitures;
- placing us at a disadvantage compared to our competitors who are less leveraged and may be better able to use their cash flow to fund competitive responses to changing industry, market or economic conditions; and
- making us more vulnerable in the event of a downturn in our business, our industry or the economy in general.

In addition, our current credit facilities contain, and any future credit facilities will likely contain, covenants and other provisions that restrict our operations. These restrictive covenants and provisions could limit our ability to obtain future financing, make needed capital expenditures, withstand a future downturn in our business or the economy in general, or otherwise conduct necessary corporate activities, and may prevent us from taking advantage of business opportunities that arise in the future. If we refinance our credit facilities, we cannot guarantee that any new credit facility will not contain similar covenants and restrictions.

We face the risks of doing business in new and rapidly evolving markets and may not be able successfully to address such risks and achieve acceptable levels of success or profits.

We have encountered and may continue to encounter the challenges, uncertainties and difficulties frequently experienced in new and rapidly evolving markets, including:

- limited operating experience;
- net losses;
- lack of sufficient customers or loss of significant customers;
- a changing business focus;
- the downward trend in sales of physical DVD and Blu-ray discs;
- rapidly-changing technology for some of the products and services we offer; and
- difficulties in managing potentially rapid growth.

We expect competition to be intense. If we are unable to compete successfully, our business and results of operations will be seriously harmed.

The markets for the digital cinema business and the content distribution business are competitive, evolving and subject to rapid technological and other changes. We expect the intensity of competition in each of these areas to increase in the future. Companies willing to expend the necessary capital to create facilities and/or capabilities similar to ours may compete with our business. Increased competition may result in reduced revenues and/or margins and loss of market share, any of which could seriously harm our business. In order to compete effectively in each of these fields, we must differentiate ourselves from competitors.

Many of our current and potential competitors have longer operating histories and greater financial, technical, marketing and other resources than we do, which may permit them to adopt aggressive pricing policies. As a result, we may suffer from pricing pressures that could adversely affect our ability to generate revenues and our results of operations. Many of our competitors also have significantly greater name and brand recognition and a larger customer base than us. If we are unable to compete successfully, our business and results of operations will be seriously harmed.

Our plan to acquire additional businesses involves risks, including our inability to complete or integrate an acquisition successfully, our assumption of liabilities, dilution of your investment and significant costs.

Strategic and financially appropriate acquisitions are a key component of our growth strategy. We are currently in the process of completing the previously announced significant acquisition of Future Today Inc, which will require us to integrate the newly acquired company into our business and procedures. Although there are no other acquisitions identified by us as probable at this time, we may make further acquisitions of similar or complementary businesses or assets. Even if we identify appropriate acquisition candidates, we may be unable to negotiate successfully the terms of the acquisitions, finance them, integrate the acquired business into our then existing business, obtain required regulatory approvals, and/or attract and retain customers. Completing an acquisition and integrating an acquired business may require a significant diversion of management time and resources and may involve assuming new liabilities. Any acquisition also involves the risks that the assets acquired may prove less valuable than expected and/or that we may assume unknown or unexpected liabilities, costs and problems. If we make one or more significant acquisitions in which any of the consideration consists of our capital stock, your equity interest in the Company could be diluted, perhaps significantly. If we were to proceed with one or more significant acquisitions in which the consideration included cash, we could be required to use a substantial portion of our available cash, or obtain additional financing to consummate them.

Our previous acquisitions involve risks, including our inability to integrate successfully the new businesses and our assumption of certain liabilities.

Our acquisition of these businesses and their respective assets also involved the risks that the businesses and assets acquired may prove to be less valuable than we expected and/or that we may assume unknown or unexpected liabilities, costs and problems. In addition, we assumed certain liabilities in connection with these acquisitions and we cannot assure you that we will be able to satisfy adequately such assumed liabilities. Other companies that offer similar products and services may be able to market and sell their products and services more cost-effectively than we can.

We have recorded goodwill impairment charges and may be required to record additional charges to future earnings if our goodwill becomes further impaired or our intangible assets become impaired.

We are required under generally accepted accounting principles to review our goodwill and definite-lived intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill must be tested for impairment at least annually. Factors that may be considered a change in circumstances indicating that the carrying value of our reporting units and intangible assets may not be recoverable include a decline in stock price and market capitalization, slower growth rates in our industry or our own operations, and/or other materially adverse events that have implications on the profitability of our business. In fiscal year ended March 31, 2016, we recorded a goodwill impairment charge of $18.0 million in our Content & Entertainment operating segment. We may be required to record additional charges to earnings during any period in which a further impairment of our goodwill or other intangible assets is determined which could adversely affect our results of operations.

If we do not manage our growth, our business will be harmed.

We may not be successful in managing our growth. Past growth has placed, and future growth will continue to place, significant challenges on our management and resources, related to the successful integration of the newly acquired businesses. To manage the expected growth of our operations, we will need to improve our existing, and implement new, operational and financial systems, procedures and controls. We may also need to expand our finance, administrative, client services and operations staffs and train and manage our growing employee base effectively. Our current and planned personnel, systems, procedures and controls may not be adequate to support our future operations. Our business, results of operations and financial position will suffer if we do not effectively manage our growth.

If we are not successful in protecting our intellectual property, our business will suffer.

We depend heavily on technology and viewing content to operate our business. Our success depends on protecting our intellectual property, which is one of our most important assets. We have intellectual property consisting of:

- rights to certain domain names;
- registered service marks on certain names and phrases;
- various unregistered trademarks and service marks;
- film, television and other forms of viewing content;
- know-how; and
- rights to certain logos.

If we do not adequately protect our intellectual property, our business, financial position and results of operations would be harmed. Our means of protecting our intellectual property may not be adequate. Unauthorized parties may attempt to copy aspects of our intellectual property or to obtain and use information that we regard as proprietary. In addition, competitors may be able to devise methods of competing with our business that are not covered by our intellectual property. Our competitors may independently develop similar technology, duplicate our technology or design around any intellectual property that we may obtain.

Although we hold rights to various web domain names, regulatory bodies in the United States and abroad could establish additional top-level domains, appoint additional domain name registrars or modify the requirements for holding domain names. The relationship between regulations governing domain names and laws protecting trademarks and similar proprietary rights is unclear. We may be unable to prevent third parties from acquiring domain names that are similar to or diminish the value of our proprietary rights.

Our substantial debt and lease obligations could impair our financial flexibility and restrict our business significantly.

We now have, and will continue to have, significant debt obligations . In March 2018, we entered into a Loan, Guaranty and Security agreement, dated as of March 30, 2018, which provides for a Credit Facility with East West Bank (the "Credit Facility") pursuant to which we were able to borrow up to $19.0 million in revolving loans at any time outstandi ng . The obligations under the Credit Facility are with full recourse to Cinedigm. As of March 31, 2019, the principal amount outstanding under the Credit Facility was $ 18.6 million . In July, September and October 2016 and January, February and July 2017, we issued $10.4 million aggregate principal amount of 12.75% Second Secured Lien Notes due 2019 (the “Second Secured Lien Notes”), which debt is secured on a second lien basis and is subordinate to the debt under the Credit Facility and senior to the 2018 Notes. Some of the interest paid on the Second Secured Lien Notes is paid in cash and some is paid in kind, resulting in additional principal outstanding. In November 2017, $0.5 million principal amount of Second Secured Lien Notes were canceled in exchange for other securities of the Company, and approximately $ 11.1 million principal amount of Second Secured Lien Notes is outstanding as of March 31, 2019. In July 2018, we issued $10.0 million principal amount of a 5% loan due in July 2019 and may be extended by mutual agreement of Cinedigm and the lender, which debt is unsecured and subordinate to the debt under the Credit Facility. Separately, in October 2018, we issued $5.0 million principal amount of an 8% convertible note (the “2018 Convertible Note”), which debt is unsecured and subordinate to the debt under the Credit Facility.

As of March 31, 2019 , total indebtedness of our consolidated subsidiaries (not including guarantees of our debt) was $ 44.8 million , none of which is loan from Prospect Capital (the “Prospect Loan”). In connection with the Prospect Loan, we provided a limited recourse guaranty pursuant to which Cinedigm guaranteed certain representations and warranties and performance obligations with respect to the Prospect Loan in favor of the collateral agent and the administrative agent for the Prospect Loan. Cinedigm Corp. has provided a limited recourse guaranty in respect of a portion of this indebtedness ($20.6 million as of March 31, 2019) pursuant to which it agreed to become a primary obligor of such indebtedness in certain specified circumstances, none of which have occurred as of the date hereof.

The obligations and restrictions under the Credit Facility, the Prospect Loan, and our other debt obligations could have important consequences for us, including:

- limiting our ability to obtain necessary financing in the future; and
- requiring us to dedicate a substantial portion of our cash flow to payments on our debt obligations, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other corporate requirements or expansion of our business.

CDF2 and CDF2 Holdings are our indirect wholly owned, non-consolidated VIEs that are intended to be special purpose, bankruptcy remote entities. CDF2 Holdings has entered into the CHG Lease pursuant to which CHG provided sale/leaseback financing for digital cinema projection systems that were partially financed as part of the Phase II deployment of our Digital Equipment segment. The CHG Lease is non-recourse to Cinedigm and our subsidiaries, excluding our VIEs, CDF2 and CDF2 Holdings, as the case may be. Although the Phase II financing arrangements undertaken by CDF2 and CDF2 Holdings are important to us with respect to the success of our Phase II Deployment, our financial exposure related to the debt of CDF2 and CDF2 Holdings is limited to the $2.0 million initial investment we made into CDF2 and CDF2 Holdings. CDF2 Holding’s total stockholder’s deficit at March 31, 2019 was $28.9 million. We have no obligation to fund the operating loss or the deficit beyond our initial investment, and accordingly, we carried our investment in CDF2 Holdings at $0 as of March 31, 2019 and 2018 .

The obligations and restrictions under the CHG Lease could have important consequences for CDF2 and CDF2 Holdings, including:

- Limiting our ability to obtain necessary financing in the future;
- restricting us from incurring liens on the digital cinema projection systems financed and from subleasing, assigning or modifying the digital cinema projection systems financed; and
- requiring them to dedicate a substantial portion of their cash flow to payments on their debt obligations, thereby reducing the availability of their cash flow for other uses.

If we are unable to meet our lease and debt obligations, we could be forced to restructure or refinance our obligations, to seek additional equity financing or to sell assets, which we may not be able to do on satisfactory terms or at all. As a result, we could default on those obligations and in the event of such default, our lenders could accelerate our debt or take other actions that could restrict our operations.

The foregoing risks would be intensified to the extent we borrow additional money or incur additional debt.

The agreements governing the financing of the Credit Facility and the Prospect Loan impose certain limitations on us.

The Credit Facility restricts our ability and the ability of our subsidiaries that have guaranteed the obligations under the Credit Facility, subject to certain exceptions, to, among other things:

- make investments;
- incur other indebtedness or liens;
- create or acquire subsidiaries;
- engage in a new line of business;
- pay dividends;
- sell assets;
- acquire, consolidate with, or merge with or into other companies; and
- enter into transactions with affiliates.

The agreements governing the Prospect Loan restrict the ability of DC Holdings LLC and its subsidiaries, and ADCP2 and its subsidiaries, subject to certain exceptions, to, among other things:

- make certain capital expenditures and investments;
- incur other indebtedness or liens;
- engage in a new line of business;
- sell assets;
- acquire, consolidate with, or merge with or into other companies; and
- enter into transactions with affiliates.

We may not be able to generate the amount of cash needed to fund our future operations.

Our ability either to make payments on or to refinance our indebtedness, or to fund planned capital expenditures and research and development efforts, will depend on our ability to generate cash in the future. Our ability to generate cash is in part subject to general economic, financial, competitive, regulatory and other factors that are beyond our control.

Based on our current level of operations and in conjunction with the cost reduction measures that we have recently implemented and continue to implement, we believe our cash flow from operations, available borrowings and loan and credit agreement terms will be adequate to meet our future liquidity needs through at least the next twelve months. Significant assumptions underlie this belief, including, among other things, that there will be no material adverse developments in our business, liquidity or capital requirements. If we are unable to service our indebtedness, we will be forced to adopt an alternative strategy that may include actions such as:

- reducing capital expenditures;
- reducing our overhead costs and/or workforce;
- reducing research and development efforts;
- selling assets;
- restructuring or refinancing our remaining indebtedness; and
- seeking additional funding.

We cannot assure you, however, that our business will generate sufficient cash flow from operations, or that we will be able to make future borrowings in amounts sufficient to enable us to pay the principal and interest on our current indebtedness or to fund our other liquidity needs. We may need to refinance all or a portion of our indebtedness on or before maturity. We cannot assure you that we will be able to refinance any of our indebtedness on commercially reasonable terms or at all.

We have incurred losses since our inception.

We have incurred losses since our inception in March 2000 and have financed our operations principally through equity investments and borrowings. As of March 31, 2019 , we had negative working capital, defined as current assets less current liabilities, of $48.8 million , and cash, cash equivalents and restricted cash totaling $18.9 million ; we have total stockholders' deficit of $36.6 million ; however, during the fiscal year ended March 31, 2019 , we generated $11.1 million of net cash flows from operating activities.

Our net losses and cash outflows may increase as and to the extent that we increase the size of our business operations, increase our sales and marketing activities, increase our content distribution rights acquisition activities, enlarge our customer support and professional services and acquire additional businesses. These efforts may prove to be more expensive than we currently anticipate which could further increase our losses. We must continue to increase our revenues in order to become profitable. We cannot reliably predict when, or if, we will become profitable. Even if we achieve profitability, we may not be able to sustain it. If we cannot generate operating income or positive cash flows in the future, we will be unable to meet our working capital requirements.

Many of our corp orate actions may be controlled by our officers, directors and principal stockholders; these actions may benefit these principal stockholders more than our other stockholders.

As of March 31, 2019 , our directors, executive officers and principal stockholders, those known by us to beneficially own more than 5% of the outstanding shares of our Class A common stock, par value $0.001 per share (the “Common Stock”or "Class A common stock") , beneficially own, directly or indirectly, in the aggregate, approximately 56.8% of our outstanding Class A common stock. Bison Entertainment Investment Limited, an affiliate of Bison Capital Holdings Company Limited and our largest stockholder (“Bison”), owns 19,666,667 shares of Class A common stock and has warrants to purchase 1,400,000 shares of Class A common stock, all of which are currently exercisable. If all the warrants were exercised, Bison would own 21,066,667 shares or approximately 47.9% of the then-outstanding Class A common stock.

Subsequent to March 31, 2019, in July 2019, the Company sold an additional 2,000,000 shares of Common Stock to Bison Entertainment and Media Group, another affiliate of Bison (“BEMG”), and converted a loan from Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1, another Bison affiliate (“Bison Global”), into a convertible note that is convertible into 6,666,667 shares of Common Stock. These additional shares, plus the shares issuable upon conversion of the convertible note, increase Bison’s ownership position above 50% of our outstanding Common Stock.

This stockholder may have significant influence over our business affairs, with the ability to control matters requiring approval by our security holders, including elections of directors and approvals of mergers or other business combinations. In addition, certain corporate actions directed by our officers may not necessarily inure to the proportional benefit of our other stockholders.

We face risks associated with expanding our business in China.

We expect to expand our business in China. In November 2017, Bison, a Hong Kong-based entity that does business in mainland China as well as other locations, became our majority owner. We anticipate that Bison's presence and relationships in China will provide us with assistance in expanding our business to China. In January 2018, we announced a strategic alliance with Starrise Media Holdings Limited, a leading Chinese entertainment company , to release films in China theatrically and to digital platforms, and to evaluate opportunities to jointly produce Chinese/American film co-productions. Accordingly, we are exposed to risks of doing business in China. As a result, the economic, political, legal and social conditions in China could have a material adverse effect on our business. In addition, the legal system in China has inherent uncertainties that may limit the legal protections available in the event of any claims or disputes that we may have with third parties, including our ability to protect the intellectual property we use in China. As China’s legal system is still evolving, the interpretation of many laws, regulations and rules is not always uniform and enforcement of these laws, regulations and rules involve uncertainties, which may limit the remedies available in the event of any claims or disputes with third parties. Some of the other risks related to doing business in China include:

- the Chinese government exerts substantial influence over the manner in which we must conduct our business activities;
- restrictions on currency exchange may limit our ability to receive and use our cash effectively ;
- the Chinese government may favor local businesses and make it more difficult for foreign businesses to operate in China on an equal footing, or generally;
- there are increased uncertainties related to the enforcement of contracts with certain parties; and
- more restrictive rules on foreign investment could adversely affect our ability to expand our operations in China

As a result of our growing operations in China, these risks could have a material adverse effect on our business, results of operations and financial condition.

CFIUS may modify, delay, or prevent our future acquisition activities or investments in Cinedigm.

Bison is the majority owner of our Class A common stock, and therefore Cinedigm is considered a "foreign person" under the regulations relating to the Committee on Foreign Investment in the United States ("CFIUS"). Acquisitions or investments that Cinedigm may wish to pursue in the future may be subject to CFIUS review. In such a case, Cinedigm and the other party may determine to submit to CFIUS review on a voluntary basis, or to proceed with the transaction and take a risk that CFIUS may retroactively require such a review. CFIUS has the authority to review and potentially block certain acquisitions or investments by foreign persons, or impose conditions with respect to such transactions, which may limit our future endeavors or even prevent us from pursuing transactions that we believe would otherwise be beneficial to us and our stockholders .

Our success will significantly depend on our ability to hire and retain key personnel.

Our success will depend in significant part upon the continued performance of our senior management personnel and other key technical, sales and creative personnel. We do not currently have significant "key person" life insurance policies for any of our employees. We currently have employment agreements with our chief executive officer. If we lose one or more of our key employees, we may not be able to find a suitable replacement(s) and our business and results of operations could be adversely affected. In addition, competition for key employees necessary to create and distribute our entertainment content and software products is intense and may grow in the future. Our future success will also depend upon our ability to hire, train, integrate and retain qualified new employees and our inability to do so may have an adverse impact upon our business, financial condition, operating results, liquidity and prospects for growth.

If we do not respond to future changes in technology and customer demands, our financial position, prospects and results of operations may be adversely affected.

The demand for our Systems and other assets in connection with our digital cinema business (collectively, our "Digital Cinema Assets") may be affected by future advances in technology and changes in customer demands. We cannot assure you that there will be continued demand for our Digital Cinema Assets. Our profitability depends largely upon the continued use of digital presentations at theatres. Although we have entered into long term agreements with major motion picture studios and independent studios (the "Studio Agreements"), there can be no assurance that these studios will continue to distribute digital content to movie theatres. If the development of digital presentations and changes in the way digital files are delivered does not continue or technology is used that is not compatible with our Systems, there may be no viable market for our Systems and related products. Any reduction in the use of our Systems and related products resulting from the development and deployment of new technology may negatively impact our revenues and the value of our Systems.

The demand for DVD products is declining, and we anticipate that this decline will continue. We anticipate, however, that the distribution of DVD products will continue to generate positive cash flows for the Company for the foreseeable future. Should a decline in consumer demand be greater than we anticipate, our business could be adversely affected.

We have concentration in our digital cinema business with respect to our major motion picture studio customers, and the loss of one or more of our largest studio customers could have a material adverse effect on us.

Our Studio Agreements account for a significant portion of our revenues within Phase 1 DC and Phase 2 DC. Together these studios generated 16% **,** 56% , and 13% of Phase 1 DC's, Phase 2 DC's and our consolidated revenues, respectively, for the fiscal year ended March 31, 2019 .

The Studio Agreements are critical to our business. If some of the Studio Agreements were terminated prior to the end of their terms or found to be unenforceable, or if our Systems are not upgraded or enhanced as necessary, or if we had a material failure of our Systems, it may have a material adverse effect on our revenue, profitability, financial condition and cash flows. The Studio Agreements also generally provide that the VPF rates and other material terms of the agreements may not be more favorable to one studio as compared to the others.

Termination of the MLAs and MLAAs could damage our revenue and profitability.

The master license agreements with each of our licensed exhibitors (the "MLAs") are critical to our business as are master license administrative agreements (the "MLAAs"). The MLAs have terms, which expire in 2020 through 2022 and provide the exhibitor with an option to purchase our Systems or to renew for successive one-year periods up to ten years thereafter. The MLAs also require our suppliers to upgrade our Systems when technology necessary for compliance with DCI Specification becomes commercially available and we may determine to enhance the Systems, which may require additional capital expenditures. If any one of the MLAs were terminated prior to the end of its term, not renewed at its expiration or found to be unenforceable, or if our Systems are not upgraded or enhanced as necessary, it would have a material adverse effect on our revenue, profitability, financial condition and cash flows. Additionally, termination of MLAAs could adversely impact our servicing business.

An increase in the use of alternative movie distribution channels and other competing forms of entertainment could drive down movie theatre attendance, which, if causing significant theatre closures or a substantial decline in motion picture production, may lead to reductions in our revenues.

Various exhibitor chains, which are our distributors, face competition for patrons from a number of alternative motion picture distribution channels, such as DVD, network and syndicated television, VOD, pay-per-view television and downloading utilizing the Internet. These exhibitor chains also compete with other forms of entertainment competing for patrons' leisure time and disposable income such as concerts, amusement parks and sporting events. An increase in popularity of these alternative movie distribution channels and competing forms of entertainment could drive down movie theatre attendance and potentially cause certain of our exhibitors to close their theatres for extended periods of time. Significant theatre closures could in turn have a negative impact on the aggregate receipt of our VPF revenues, which in turn may have a material adverse effect on our business and ability to service our debt.

An increase in the use of alternative movie distribution channels could also cause the overall production of motion pictures to decline, which, if substantial, could have an adverse effect on the businesses of the major studios with which we have Studio Agreements. A decline in the businesses of the major studios could in turn force the termination of certain Studio Agreements prior to the end of their terms. The Studio Agreements with each of the major studios are critical to our business, and their early termination may have a material adverse effect on our revenue, profitability, financial condition and cash flows.

Our success depends on external factors in the motion picture and television industry.

Our success depends on the commercial success of movies and television programs, which is unpredictable. Operating in the motion picture and television industry involves a substantial degree of risk. Each movie and television program is an individual artistic work, and inherently unpredictable audience reactions primarily determine commercial success. Generally, the popularity of movies and television programs depends on many factors, including the critical acclaim they receive, the format of their initial release, for example, theatrical or direct-to-video, the actors and other key talent, their genre and their specific subject matter. The commercial success of movies and television programs also depends upon the quality and acceptance of movies or programs that our competitors release into the marketplace at or near the same time, critical reviews, the availability of alternative forms of entertainment and leisure activities, general economic conditions and other tangible and intangible factors, many of which we do not control and all of which may change. We cannot predict the future effects of these factors with certainty, any of which could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects. In addition, because a movie's or television program's performance in ancillary markets, such as home video and pay and free television, is often directly related to its box office performance or television ratings, poor box office results or poor television ratings may negatively affect future revenue streams. Our success will depend on the experience and judgment of our management to select and develop new content acquisition and investment opportunities. We cannot make assurances that movies and television programs will obtain favorable reviews or ratings, will perform well at the box office or in ancillary markets or that broadcasters will license the rights to broadcast any of our television programs in development or renew licenses to broadcast programs in our library. The failure to achieve any of the foregoing could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

Our business involves risks of liability claims for media content, which could adversely affect our business, results of operations and financial condition.

As a distributor of media content, we may face potential liability for:

- defamation;
- invasion of privacy;
- negligence;
- copyright or trademark infringement (as discussed above); and
- other claims based on the nature and content of the materials distributed.

These types of claims have been brought, sometimes successfully, against producers and distributors of media content. Any imposition of liability that is not covered by insurance or is in excess of insurance coverage could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

Our revenues and earnings are subject to market downturns.

Our revenues and earnings may fluctuate significantly in the future. General economic or other conditions could cause lower than expected revenues and earnings within our digital cinema, technology or content and entertainment businesses. The global economic turmoil of recent years has caused a general tightening in the credit markets, lower levels of liquidity, increases in the rates of default and bankruptcy, an unprecedented level of intervention from the U.S. federal government and other foreign governments, decreased consumer confidence, overall slower economic activity and extreme volatility in credit, equity and fixed income markets. While the ultimate outcome of these events cannot be predicted, a decrease in economic activity in the U.S. or in other regions of the world in which we do business could adversely affect demand for our movies, thus reducing our revenue and earnings. While stabilization has continued, it remains a slow process and the global economy remains subject to volatility. Moreover, financial institution failures may cause us to incur increased expenses or make it more difficult either to financing of any future acquisitions, or financing activities. Any of these factors could have a material adverse effect on our business, results of operations and could result in significant additional dilution to shareholders.

Changes in economic conditions could have a material adverse effect on our business, financial position and results of operations.

Our operations and performance could be influenced by worldwide economic conditions. Uncertainty about current global economic conditions poses a risk as consumers and businesses may postpone spending in response to tighter credit, negative financial news and/or declines in income or asset values, which could have a material negative effect on the demand for our products and services. Other factors that could influence demand include continuing increases in fuel and other energy costs, conditions in the residential real estate and mortgage markets, labor and healthcare costs, access to credit, consumer confidence, and other macroeconomic factors affecting consumer-spending behavior. These and other economic factors could have a material adverse effect on demand for our products and services and on our financial condition and operating results. Uncertainty about current global economic conditions could also continue to increase the volatility of our stock price.

Changes to existing accounting pronouncements or taxation rules or practices may affect how we conduct our business and affect our reported results of operations.

New accounting pronouncements or tax rules and varying interpretations of accounting pronouncements or taxation practice have occurred and may occur in the future. A change in accounting pronouncements or interpretations or taxation rules or practices can have a significant effect on our reported results and may even affect our reporting of transactions completed before the change is effective. Changes to existing rules and pronouncements, future changes, if any, or the questioning of current practices or interpretations may adversely affect our reported financial results or the way we conduct our business.

Our ability to utilize our net operating loss carryforwards in the future is subject to substantial limitations and we may not be able to use some identified net operating loss carryforwards, which could result in increased tax payments in future periods.

Under Section 382 of the Internal Revenue Code, if a corporation undergoes an ownership change (generally defined as a greater than 50% change (by value) in its equity ownership over a three-year period), the corporation's ability to use its pre-change net operating loss ("NOL") carryforwards to offset its post-change income may be limited. Similar rules may apply under state tax laws. On November 1, 2018, we experienced an ownership change with respect to the Bison acquisition.

Accordingly, our ability to utilize our NOL carryforwards attributable to periods prior to November 1, 2018 is subject to substantial limitations. These limitations could result in increased future tax payments, which could be material.

Risks Related to Class A Common Stock

The liquidity of the Class A common stock is uncertain; the limited trading volume of the Class A common stock may depress the price of such stock or cause it to fluctuate significantly.

Although the Class A common stock is listed on Nasdaq, there has been a limited public market for the Class A common stock and there can be no assurance that a more active trading market for the Common Stock will develop. As a result, you may not be able to sell your shares of Class A common stock in short time periods, or possibly at all. The absence of an active trading market may cause the price per share of the Class A common stock to fluctuate significantly.

Substantial resales or future issuances of our Class A common stock could depress our stock price.

The market price for the Class A common stock could decline, perhaps significantly, as a result of resales or issuances of a large number of shares of the Class A common stock in the public market or even the perception that such resales or issuances could occur. In addition, we have outstanding a substantial number of options and warrants exercisable for shares of Class A common stock that may be exercised or converted in the future. These factors could also make it more difficult for us to raise funds through future offerings of our equity securities.

You will incur substantial dilution as a result of certain future equity issuances.

We have a substantial number of options and warrants currently outstanding which may be immediately exercised for shares of Class A common stock. To the extent that these options or warrants are exercised, or to the extent we issue additional shares of Class A common stock in the future, as the case may be, there will be further dilution to holders of shares of the Class A common stock.

Our issuance of preferred stock could adversely affect holders of Class A common stock .

Our board of directors is authorized to issue series of preferred stock without any action on the part of our holders of Class A common stock. Our board of directors also has the power, without stockholder approval, to set the terms of any such series of preferred stock that may be issued, including voting rights, dividend rights, preferences over our Class A common stock with respect to dividends or if we liquidate, dissolve or wind up our business and other terms. If we issue preferred stock in the future that has preference over our Class A common stock with respect to the payment of dividends or upon our liquidation, dissolution or winding up, or if we issue preferred stock with voting rights that dilute the voting power of our Class A common stock, the rights of holders of our Class A common stock or the price of our Class A common stock could be adversely affected.

Our stock price has been volatile and may continue to be volatile in the future; this volatility may affect the price at which you could sell our Class A common stock.

The trading price of the Class A common stock has been volatile and may continue to be volatile in response to various factors, some of which are beyond our control. Any of the factors listed below could have a material adverse effect on an investment in our securities:

- actual or anticipated fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us;
- changes in the market's expectations about our operating results;
- success of competitors;
- our operating results failing to meet the expectation of securities analysts or investors in a particular period;
- changes in financial estimates and recommendations by securities analysts concerning us, the market for digital and physical content, content distribution and entertainment in general;
- operating and stock price performance of other companies that investors deem comparable to us;
- our ability to market new and enhanced products on a timely basis;
- changes in laws and regulations affecting our business or our industry;
- commencement of, or involvement in, litigation involving us;
- changes in our capital structure, such as future issuances of securities or the incurrence of additional debt;
- the volume of shares of the Class A common stock available for public sale;
- any major change in our board of directors or management;

- sales of substantial amounts of Class A common stock by our directors, executive officers or significant stockholders or the perception that such sales could occur; and
- general economic and political conditions such as recessions, interest rates, international currency fluctuations and acts of war or terrorism.

Broad market and industry factors may materially harm the market price of the Class A common stock irrespective of our operating performance. The stock market in general, and Nasdaq in particular, have experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of the Class A common stock, may not be predictable. A loss of investor confidence in the market for retail stocks or the stocks of other companies that investors perceive to be similar to us could depress our stock price regardless of our business, prospects, financial conditions or results of operations. A decline in the market price of the Class A common stock also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future.

Anti-takeover provisions contained in our certificate of incorporation and bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

Our fifth amended and restated certificate of incorporation and bylaws, as amended, contain provisions that could have the effect of delaying or preventing changes in control or changes in our management without the consent of our board of directors. These provisions include:

- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors to elect a director to fill a vacancy created by the expansion of the board of directors or the resignation, death, or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- the ability of our board of directors to determine to issue shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the requirement that an annual meeting of stockholders may be called only by the board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors;
- limiting the liability of, and providing indemnification to, our directors and officers;
- controlling the procedures for the conduct and scheduling of stockholder meetings; and
- providing that directors may be removed prior to the expiration of their terms by the Board of Directors only for cause.

In addition, our certificate of incorporation authorizes the issuance of 15,000,000 shares of preferred stock. The terms of our preferred stock may be fixed by the company's board of directors without further stockholder action. The terms of any outstanding series or class of preferred stock may include priority claims to assets and dividends and special voting rights, which could adversely affect the rights of holders of Class A common stock. Any future issuance(s) of preferred stock could make the takeover of the company more difficult, discourage unsolicited bids for control of the company in which our stockholders could receive premiums for their shares, dilute or subordinate the rights of holders of Class A common stock and adversely affect the trading price of the Class A common stock.

These provisions, alone or together, could delay hostile takeovers and changes in control of the Company or changes in our management.

As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the DGCL, which prevents some stockholders holding more than 15% of our outstanding common stock from engaging in certain business combinations without approval of the holders of substantially all of our outstanding common stock. Any provision of our certificate of incorporation or bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our securities.

If the market price of the Class A common stock declines, we may not be able to maintain our listing on the Nasdaq Global Market, which may impair our financial flexibility and restrict our business significantly.

The stock markets have experienced extreme price and volume fluctuations that have affected the market prices of equity securities of many companies that may be unrelated or disproportionate to the operating results of such companies. These broad market movements may adversely affect the market price of the Class A common stock. The Class A common stock is presently listed on Nasdaq. We cannot assure you that we will meet the criteria for continued listing, in which case the Class A common stock could become delisted. Any such delisting could harm our ability to raise capital through alternative financing sources on terms acceptable to us, or at all, and may result in the loss of confidence in our financial stability by suppliers, customers and employees. Investors would likely find it more difficult to dispose of, or to obtain accurate market quotations for, the Class A common stock, as the liquidity that Nasdaq provides would no longer be available to investors. In addition, the failure of our Class A common stock to continue to be listed on the Nasdaq could adversely impact the market price for the Class A common stock and our other securities, and we could face a lengthy process to re-list the Class A common stock, if we are able to re-list the Class A common stock.

We have no present intention of paying dividends on our Class A common stock.

We have never paid any cash dividends on our Class A common stock and have no present plans to do so. In addition, certain of our credit facilities restrict our ability to pay dividends on the Class A common stock. As a result, you may not receive any return on an investment in our Class A common stock unless you sell the shares for a price greater than that which you paid for them.

Our ability to raise capital in the future may be limited, which could make us unable to fund our capital requirements.

Our business and operations may consume resources faster than we anticipate, or we may require additional funds to pursue acquisition or expansion opportunities. In the future, we may need to raise additional funds through the issuance of new equity securities, debt or a combination of both. Additional financing may not be available on favorable terms or at all. If adequate funds are not available on acceptable terms, we may be unable to fund our capital requirements. If we issue new debt securities, the debt holders would have rights senior to common stockholders to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to pay dividends on our Class A common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, our stockholders bear the risk of our future securities offerings reducing the market price of our Class A common stock, diluting their interest or being subject to rights and preferences senior to their own.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We operated from the following leased properties at March 31, 2019 .

Location	Square Feet (Approx.)	Lease Expiration Date	Primary Use
Sherman Oaks, California	11,600	March 2022	Primary operations, sales, marketing and administrative offices for our Content & Entertainment Group. In addition, certain operations and administration for our other business segments.
Borough of Manhattan, City of New York, New York	10,500	April 2021	Corporate executive and administrative headquarters. Shared between all business segments.

We believe that we have sufficient space to conduct our business for the foreseeable future. All of our leased properties are, in the opinion of our management, in satisfactory condition and adequately covered by insurance.

We do not own any real estate or invest in real estate or related investments.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

CLASS A COMMON STOCK

Our Class A Common Stock trades publicly on the Nasdaq Global Market ("Nasdaq"), under the trading symbol "CIDM". The following table shows the high and low sales prices per share of our Class A Common Stock as reported by Nasdaq for the periods indicated:

	For the Fiscal Year Ended March 31,			
	2019		2018	
	HIGH	LOW	HIGH	LOW
April 1 – June 30	$1.81	$1.31	$2.26	$1.38
July 1 – September 30	$1.62	$0.98	$1.75	$1.41
October 1 – December 31	$1.40	$0.48	$1.64	$1.21
January 1 – March 31	$2.05	$0.53	$1.51	$1.21

The last reported closing price per share of our Class A Common Stock as reported by Nasdaq on July 08, 2019 was $1.31 per share. As of July10, 2019, there were 93 holders of record of our Class A Common Stock, not including beneficial owners of our Class A Common Stock whose shares are held in the names of various dealers, clearing agencies, banks, brokers and other fiduciaries.

CLASS B COMMON STOCK

On October 31, 2017, we filed our Fifth Amended and Restated Certificate of Incorporation which, in addition to other things, eliminated the Class B Common Stock. Accordingly, no further Class B Common Stock will be issued.

DIVIDEND POLICY

We have never paid any cash dividends on our Class A Common Stock or Class B Common Stock and do not anticipate paying any on our Class A Common Stock in the foreseeable future. Any future payment of dividends on our Class A Common Stock will be in the sole discretion of our board of directors.

The holders of our Series A 10% Non-Voting Cumulative Preferred Stock are entitled to receive dividends. There were $89 thousand of cumulative dividends in arrears on the Preferred Stock at March 31, 2019 .

SALES OF UNREGISTERED SECURITIES

On July 9, 2019, the Company entered into a common stock purchase agreement (the "Stock Purchase Agreement") with Bison Entertainment and Media Group ("BEMG"), an affiliate of Bison Capital Holding Company Limited, which, through an affiliate, is the majority holder of our Class A common stock, pursuant to which the Company agreed to sell to BEMG a total of 2,000,000 shares of Common Stock (the "SPA Shares"), for an aggregate purchase price in cash of $3.0 million priced at $1.50 per share. The sale of the SPA Shares was consummated on July 9, 2019. The SPA Shares are subject to certain transfer restrictions. The proceeds of the sale of the SPA Shares sold were used for working capital, including the repayment of Second Lien Loans (as defined in Note 5 - *Notes Payable*). In addition, the Company has agreed to enter into a registration rights

agreement for the resale of the SPA Shares. The SPA Shares were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

PURCHASE OF EQUITY SECURITIES

There were no purchases of shares of our Class A Common Stock made by us or on our behalf during the twelve months ended March 31, 2019 and 2018.

ITEM 6. SELECTED FINANCIAL DATA

The following tables set forth our historical selected financial and operating data for the periods indicated. The selected financial and operating data should be read together with the other information contained in this document, including "Management's Discussion and Analysis of Financial Condition and Results of Operations," in Item 7 and the audited historical financial statements and the notes thereto included elsewhere in this document. The historical results here are not necessarily indicative of future results.

	For the Fiscal Years Ended March 31,				
Statement of Operations Data	(In thousands, except for share and per share data)				
Related to Continuing Operations:	**2019**	**2018**	**2017**	**2016**	**2015**
Revenues	$ 53,534	$ 67,683	$ 90,394	$ 104,449	$ 105,484
Direct operating (exclusive of depreciation and amortization shown below)	16,120	19,523	25,121	31,341	30,109
Selling, general and administrative	27,661	28,454	23,776	33,367	31,120
Provision (benefit) for doubtful accounts	1,620	991	1,213	789	(206)
Restructuring, transition and acquisitions expenses, net	—	—	87	1,130	2,638
Goodwill impairment	—	—	—	18,000	6,000
Litigation and related, net of recovery in 2016	—	—	—	(2,228)	1,282
Depreciation and amortization of property and equipment	8,124	12,412	27,722	37,344	37,519
Amortization of intangible assets	5,627	5,580	5,718	5,852	5,864
Total operating expenses	59,152	66,960	83,637	125,595	114,326
(Loss) income from operations	(5,618)	723	6,757	(21,146)	(8,842)
Interest income	36	57	73	82	101
Interest expense	(10,292)	(14,250)	(19,068)	(20,642)	(19,899)
Debt conversion expense and loss on extinguishment of notes payable	—	(4,504)	(5,415)	(931)	—
Gain on termination of capital lease	—	—	2,535	—	—
Other (expense) income, net	(96)	(277)	31	513	105
Change in fair value of interest rate derivatives	—	157	142	(40)	(441)
Loss from operations before income taxes	(15,970)	(18,094)	(14,945)	(42,164)	(28,976)
Income tax expense	(295)	(401)	(252)	(345)	—
Loss from continuing operations	(16,265)	(18,495)	(15,197)	(42,509)	(28,976)
Income (loss) from discontinued operations	—	—	—	—	100
Loss on sale of discontinued operations	—	—	—	—	(3,293)
Net loss	(16,265)	(18,495)	(15,197)	(42,509)	(32,169)
Net loss attributable to noncontrolling interest	32	41	68	767	861
Net loss attributable to Cinedigm Corp.	(16,233)	(18,454)	(15,129)	(41,742)	(31,308)
Preferred stock dividends	(356)	(356)	(356)	(356)	(356)
Net loss attributable to common shareholders	$ (16,589)	$ (18,810)	$ (15,485)	$ (42,098)	$ (31,664)
Basic and diluted net loss per share from continuing operations	$ (0.44)	$ (0.81)	$ (1.92)	$ (6.51)	$ (3.71)
Shares used in computing basic and diluted net loss per share [1]	37,919,754	23,104,811	8,049,160	6,467,978	7,678,535

[1] We incurred net losses for all periods presented and, therefore, the impact of potentially dilutive common stock equivalents and convertible notes have been excluded from the computation of net loss per share from continuing operations as their impact would be anti-dilutive.

	For the Fiscal Years Ended March 31, (In thousands)				
Balance Sheet Data (At Period End):	**2019**	**2018**	**2017**	**2016**	**2015**
Cash, cash equivalents and restricted cash	$ 18,872	$ 18,952	$ 13,566	$ 34,464	$ 25,750
Working capital (deficit)	(48,834)	(2,165)	(15,411)	1,012	(30,871)
Total assets	98,839	121,182	151,334	209,398	273,017
Notes payable, non-recourse	19,132	38,082	61,104	112,312	151,360
Total stockholders' deficit of Cinedigm Corp.	(35,281)	(21,049)	(69,489)	(71,842)	(18,959)
Other Financial Data:					
Net cash provided by operating activities	11,088	22,397	31,699	25,504	9,211
Net cash (used in) provided by investing activities	(1,970)	(931)	(486)	(1,389)	1,197
Net cash used in financing activities	(9,198)	(16,080)	(44,128)	(17,633)	(41,624)

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our historical consolidated financial statements and the related notes included elsewhere in this report.

This report contains forward-looking statements within the meaning of the federal securities laws. These include statements about our expectations, beliefs, intentions or strategies for the future, which are indicated by words or phrases such as “believes,” “anticipates,” “expects,” “intends,” “plans,” “will,” “estimates," and similar words. Forward-looking statements represent, as of the date of this report, our judgment relating to, among other things, future results of operations, growth plans, sales, capital requirements and general industry and business conditions applicable to us. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond our control that could cause actual results to differ materially from those expressed or implied by such forward-looking statements.

OVERVIEW

Since our inception, we have played a significant role in the digital distribution revolution that continues to transform the media landscape. In addition to our pioneering role in transitioning approximately 12,000 movie screens from traditional analog film prints to digital distribution, we have become a leading distributor of independent content, both through organic growth and acquisitions. We distribute products for major brands such as the Discovery Networks, National Geographic and Scholastic, as well as leading international and domestic content creators, movie producers, television producers and other short form digital content producers. We collaborate with producers, major brands and other content owners to market, source, curate and distribute quality content to targeted audiences through (i) existing and emerging digital home entertainment platforms, including but not limited to, iTunes, Amazon Prime, Netflix, Hulu, Xbox, PlayStation, and cable video-on-demand ("VOD"), and (ii) physical goods, including DVD and Blu-ray Discs.

We previously reported in four segments. As of April 1, 2018, information that our Chief Operating Decision Maker ("CODM") regularly reviews, for purposes of evaluating Company performance, has been aggregated and as a result, the Company revised its determination of reportable segments. We have retrospectively recast the results of operation of the segments for all the periods presented.

We report our financial results in two primary segments as follows: (1) cinema equipment business and (2) media content and entertainment business (“Content & Entertainment” or "CEG"). The cinema equipment business segment consists of the non-recourse, financing vehicles and administrators for our digital cinema equipment (the “Systems”) installed in movie theatres throughout the United States and Canada and in Australia and New Zealand. It also provides fee-based support to over 12,000 movie screens as well as directly to exhibitors and other third party customers in the form of monitoring, billing, collection and verification services. Our Content & Entertainment segment is a market leader in: (1) ancillary market aggregation and distribution of entertainment content and; (2) branded and curated over-the-top ("OTT") digital network business providing entertainment channels and applications.

Beginning in December 2015, certain of our cinema equipment began to reach the conclusion of their 10-year deployment payment period with certain distributors and, therefore, Virtual Print Fees ("VPF") revenues ceased to be recognized on such Systems, related to such distributors. Furthermore, because the Phase I Deployment installation period ended in November 2007, a majority of the VPF revenue associated with the Phase I Deployment Systems has ended. As of March 31, 2019 , all of our 3,480 systems from the Phase I Deployment phase of our cinema equipment business segment had ceased to earn a significant portion of VPF revenue from certain major studios, although various other studios, consisting mostly of small independent studios, will continue to pay VPFs through December 2020. We expect to continue to earn such ancillary revenue from the cinema equipment segment through December of 2020; however, such amounts are expected to be significantly less material to our consolidated financial statements. The reduction in VPF revenue on cinema equipment business systems approximately coincided with the conclusion of certain of our non-recourse debt obligations and, therefore, the reduced cash outflows related to such non-recourse debt obligations partially offset the reduced VPF revenue since November 2017.

Under the terms of our standard cinema equipment licensing agreements, exhibitors will continue to have the right to use our Systems through the end of the term of the licensing agreement, after which time, they have the option to: (1) return the Systems to us; (2) renew their license agreement for successive one-year terms; or (3) purchase the Systems from us at fair market value. As permitted by these agreements, we have begun, and expect to continue, to pursue the sale of the Systems to such exhibitors. Such sales were as originally contemplated as the conclusion of the digital cinema deployment plan.

We are structured so that our cinema equipment business segment operates independently from our content & entertainment business. As of March 31, 2019 , we had approximately $20.6 million of non-recourse outstanding debt principal that relates to, and is serviced by, our cinema equipment business. We also have approximately $44.8 million of outstanding debt principal, as of March 31, 2019 that is attributable to our Content & Entertainment and Corporate segments.

Liquidity

We have incurred consolidated net losses of $16.3 million and $18.5 million for the years ended March 31, 2019 and 2018 , respectively. We have an accumulated deficit of $395.8 million as of March 31, 2019 . In addition, we have significant debt related contractual obligations for the fiscal year ended March 31, 2019 and beyond. As of March 31, 2019, we have debt obligation of $43.3 million that is current and negative working capital of $48.8 million.

The 2013 Notes (as defined in Note 5 - Notes Payable) of $5.0 million were paid in full by October 18, 2018 prior to their maturity date of October 21, 2018.

The Second Lien Loans (as defined in Note 5 - *Notes Payable*) mature on June 30, 2019. On June 28, 2019, the Company entered into a consent agreement with lenders of the Second Lien Loans to an extension of the Second Lien Loans pursuant to which (i) the Company paid half of the outstanding principal amount plus accrued interest to date, and (ii) the maturity date of the remaining outstanding principal amount of the Second Lien Loans was extended to September 30, 2019. On July 10, 2019, the Company paid $3.0 million of the outstanding Second Lien Loans and will obtain additional capital from or through Bison Capital Holding Limited or an affiliate thereof ("Bison") for final payment of the remaining outstanding balances of the Second Lien Loans. See Note 5 - *Notes Payable* .

On October 9, 2018, the Company issued a subordinated convertible note (the “Convertible Note”) to MingTai Investment LP (the “Lender”) for $5.0 million. All proceeds from the Convertible Note were used to pay the $5.0 million 2013 Notes described above. See Note 5 - *Notes Payable* . The Convertible Note bears interest at 8% and matures on October 9, 2019 with two one year extensions at the Company's option.

The Convertible Note is convertible into 3,333,333 shares of the Company's Class A common stock, based on initial conversion price of $1.50 per share. The Convertible Note is convertible at the option of the Lender, or the Company, at any time prior to payment in full of the principal balance, and all accrued interest on the Convertible Note in whole, or in part, into fully paid and non-assessable shares of Company’s Class A common stock.

Upon conversion by the Lender, we may elect to settle such conversion in shares of our Class A common stock, cash or a combination thereof. As a result of our cash conversion option, we separately accounted for the value of the embedded conversion option as a debt discount (with an offset to APIC) of $270 thousand. The value of the embedded conversion option was determined based on the estimated fair value of the debt without the conversion feature, which was determined using market comparables to estimate the fair value similar non-convertible debt; the debt discount is being amortized as additional non-cash interest expense using the effective interest method over the term of the Note.

The $10.0 million note payable ("2018 Loan") to Bison Global Investment SPC due July 20, 2019 is guaranteed by Bison Entertainment and Media Group ("BEMG"). On July 20, 2018, the Company also entered into a side letter (the "Letter") with BEMG, where BEMG agreed to guarantee the payment directly to Bison Global of any amount due if (i) the 2018 Loan matures prior to June 28, 2021 or (ii) Bison Global demands payment of the 2018 Loan, in whole or in part, prior to maturity.

On July 12, 2019, the Company and Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1, another affiliate of Bison ("Bison Global"), entered into a termination agreement (the "Termination Agreement") with respect to the $10.0 million 2018 Loan. Pursuant to the Termination Agreement, the accrued and unpaid interest on such outstanding principal amount will be paid in cash to Bison Global no later than September 30, 2019. Contemporaneously with the Termination Agreement, the Company entered into a convertible promissory note ("Bison Convertible Note") with Bison Global for $10.0 million.

The Bison Convertible Note has a term ending on March 4, 2020, and bears interest at 5% per annum. The principal is payable upon maturity, in cash or in shares of our Class A common stock, par value $0.001 per share (the "Common Stock"), or a combination of cash and Common Stock, at the Company's option. The Bison Convertible Note is unsecured and may be prepaid without premium or penalty, and contains customary covenants, representations and warranties. The proceeds of the Bison Convertible Note were used to repay the 2018 Loan.

The Bison Convertible Note, offset by the concurrent payoff and termination of the 2018 Loan, did not result in any increase to the Company's outstanding debt balance.

On July 9, 2019, the Company entered into the Stock Purchase Agreement with BEMG, an affiliate of Bison Capital Holding Company Limited, which, through an affiliate, is the majority holder of our Class A common stock, pursuant to which the Company agreed to sell to BEMG a total of 2,000,000 shares of SPA Shares, for an aggregate purchase price in cash of $3.0 million priced at $1.50 per share. The sale of the SPA Shares was consummated on July 9, 2019. The SPA Shares are subject to certain transfer restrictions. The proceeds of the sale of the SPA Shares sold were used for working capital, including the repayment of Second Lien Loans (as defined in Note 5 - *Notes Payable*). In addition, the Company has agreed to enter into a registration rights agreement for the resale of the SPA Shares.

On December 12, 2018, we received a Notice from the Listing Qualifications staff of Nasdaq (the "Staff") indicating that, the Company no longer met the requirement to maintain a minimum market value of publicly held shares ("MVPHS) of $15.0 million, as set forth in Nasdaq Listing Rule 5450(b)(3)(C).

On December 12, 2018, we received a notice (the "Bid Price Notice") from the Staff indicating that, based upon the closing bid price of the Company's Class A common stock for the last 30 consecutive business days, the Company no longer met the requirement to maintain a minimum bid price of $1 per share, as set forth in Nasdaq Listing Rule 5450(a)(1). The Bid Price Notice did not result in the immediate delisting of the Common Stock from the Nasdaq Global Market. The deficiency was cured by the closing bid price being at least $1 per share for a minimum of ten consecutive business days ending on February 11, 2019, as confirmed by the Staff on February 12, 2019.

On March 1, 2019, Cinedigm Corp. was notified by the staff that the MVPHS deficiency of the Company's Class A Common Stock has been cured and that the Company is in compliance with Nasdaq Listing Rule 5450(b)(3)(C), and that Nasdaq considers this matter closed.

On July 3, 2019, the Company entered into an amendment (the "EWB Amendment") to the Loan, Guaranty and Security Agreement, dated as of March 30, 2018, by and between the Company, East West Bank and the Guarantors named therein (the "EWB Credit Agreement"). The EWB Amendment reduced the size of the facility to $18.0 million, required certain prepayments and daily cash sweeps from collections of receivables to be made, changed in certain respects how the borrowing base is calculated, extended the maturity date to June 30, 2020 and excluded Future Today Inc and any of its future subsidiaries (in connection with the previously announced agreement to acquire Future Today Inc) from requirements to become Guarantors. In connection with the EWB Amendment, three of our subsidiaries became Guarantors under the EWB Credit Agreement.

We believe the combination of: (i) our cash and cash equivalent balances at March 31, 2019 , (ii) expected cash flows from operations, and (iii) the support or availability of funding from Bison and other parties (iv) and the financing transactions that occurred in July, 2019, will be sufficient to satisfy our liquidity and capital requirements for at least one year from the issuance date of the March 31, 2019 Consolidated Financial Statements. Our capital requirements will depend on many factors, and we may need to use capital resources and obtain additional capital. Failure to generate additional revenues, obtain additional

capital or manage discretionary spending could have an adverse effect on our financial position, results of operations and liquidity.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In connection with the preparation of our financial statements, we are required to make assumptions and estimates about future events and apply judgments that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. We base our assumptions, estimates and judgments on historical experience, current trends and other factors that management believes to be relevant at the time our consolidated financial statements are prepared. On a regular basis, management reviews the accounting policies, assumptions, estimates and judgments to ensure that our financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material.

Our significant accounting policies are discussed in Note 2 - *Summary of Significant Accounting Policies* , of the Notes to Consolidated Financial Statements, included in Item 8, *Financial Statements and Supplementary Data* , of this Annual Report on Form 10-K. Management believes that the following accounting policies are the most critical to aid in fully understanding and evaluating our reported financial results, and they require management's most difficult, subjective or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain. Management has reviewed these critical accounting estimates and related disclosures with the Audit Committee of our board of directors.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation expense is recorded using the straight-line method over the estimated useful lives of the respective assets as follows:

Computer equipment and software	3-5 years
Digital cinema projection systems	10 years
Machinery and equipment	3-10 years
Furniture and fixtures	3-6 years

Leasehold improvements are being amortized over the shorter of the lease term or the estimated useful life of the improvement. Maintenance and repair costs are charged to expense as incurred. Major renewals, improvements and additions are capitalized.

Useful lives are determined based on an estimate of either physical or economic obsolescence, or both. During the fiscal years ended March 31, 2019 and 2018 , we have neither made any revisions to estimated useful lives, nor recorded any impairment charges on our property and equipment.

FAIR VALUE ESTIMATES

Goodwill, Intangible and Long-Lived Assets

We evaluate our goodwill for impairment in the fourth quarter of each fiscal year (as of March 31), or whenever events or changes in circumstances indicate the fair value of a reporting unit is below its carrying amount. 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 units. Inherent in the fair value determination for each reporting unit are certain judgments and estimates relating to future cash flows, including management's interpretation of current economic indicators and market conditions, and assumptions about our strategic plans with regard to our operations. To the extent additional information arises, market conditions change or our strategies change, it is possible that the conclusion regarding whether goodwill is impaired could change and result in future goodwill impairment charges that could have a material adverse effect on our consolidated financial position or results of operations.

We are permitted to make a qualitative assessment of whether goodwill is impaired, or opt to bypass the qualitative assessment, and proceed directly to performing a qualitative impairment test, whereby the fair value of a reporting unit is compared with its carrying amount and an impairment charge is recognized for the amount by which the carrying amount exceeds the reporting unit’s fair value.

We did not record goodwill impairment in connection with our annual testing in the fourth quarters ended March 31, 2019 and 2018. In determining fair value, we used various assumptions, including expectations of future cash flows based on projections or forecasts derived from analysis of business prospects, economic or market trends and any regulatory changes that may occur. We estimated the fair value of the reporting unit using a net present value methodology, which is dependent on significant assumptions related to estimated future discounted cash flows, discount rates and tax rates. Certain of the estimates and assumptions that we used in determining the value of our CEG reporting unit are discussed in Note 2 - Summary of Significant Accounting Policies of Item 8 - Financial Statements and Supplementary Data of this Report on Form 10-K.

We review the recoverability of our long-lived assets and finite-lived intangible assets, when events or conditions occur that indicate a possible impairment exists. Determining whether impairment has occurred typically requires various estimates and assumptions, including determining which cash flows are directly related to the potentially impaired asset, the useful life over which cash flows will occur, their amount and the asset's residual value, if any. The assessment for recoverability is based primarily on our ability to recover the carrying value of its long-lived and finite-lived assets from expected future undiscounted net cash flows. If the total of expected future undiscounted net cash flows is less than the total carrying value of the assets the asset is deemed not to be recoverable and possibly impaired. We then estimate the fair value of the asset to determine whether an impairment loss should be recognized. An impairment loss will be recognized if the asset's fair value is determined to be less than its carrying value. Fair value is determined by computing the expected future discounted cash flows.

REVENUE RECOGNITION

Adoption of ASU Topic 606, "Revenue from Contracts with Customers"

The Company adopted Accounting Standards Update ("ASU") Topic 606, Revenue from Contracts with Customers (“Topic 606”), as of April 1, 2018, using the modified retrospective method, i.e., by recognizing the cumulative effect of initially applying Topic 606 as an adjustment to the opening balance of deficit at April 1, 2018. Therefore, the comparative information for the years ended prior to April 1, 2018 were not restated to comply with ASC 606. We applied the practical expedient and did not capitalize the incremental costs to obtain a contract if the amortization period for the asset is one year or less. The impact of adopting Topic 606 did not result in a change in accounting treatment for any of the Company’s revenue streams. Refer to Note 2 to our Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended March 31, 2018 for our revenue recognition accounting policy as it relates to revenue transactions prior to April 1, 2018. The revenue recognition accounting policy described below relates to revenue transactions from April 1, 2018 and thereafter, which are accounted for in accordance with Topic 606.

We determine revenue recognition by:

- identifying the contract, or contracts, with the customer;
- identifying the performance obligations in the contract;
- determining the transaction price;
- allocating the transaction price to performance obligations in the contract; and
- recognizing revenue when, or as, we satisfy performance obligations by transferring the promised goods or services.

We recognize revenue in the amount that reflects the consideration we expect to receive in exchange for the services provided, sales of physical products (DVD’s and Blu-ray) or when the content is available for subscription on the digital platform or available on the point-of-sale for transactional and VOD services which is when the control of the promised products and services is transferred to our customers and our performance obligations under the contract have been satisfied. Revenues that might be subject to various taxes is recorded net of transaction taxes assessed by governmental authorities such as sales value-added taxes and other similar taxes.

Payment terms and conditions vary by customer and typically provide net 30 to 90 day terms. We do not adjust the promised amount of consideration for the effects of a significant financing component when we expect, at contract inception, that the period between our transfer of a promised product or service to our customer and payment for that product or service will be one year or less. We have in the past entered into arrangements in connection with activation fees due from our digital cinema equipment (the “Systems”) deployments that had extended payment terms. The outstanding balances on these arrangements are insignificant and hence the impact of significant financing would be insignificant.

Cinema Equipment Business

Virtual print fees ("VPFs") are earned, net of administrative fees, pursuant to contracts with movie studios and distributors, whereby amounts are payable by a studio to Cinedigm Digital Funding I, LLC. ("Phase 1 DC") and to Access Digital Cinema Phase 2 Corp. ("Phase 2 DC") when movies distributed by the studio are displayed on screens utilizing our Systems installed in movie theatres. VPFs are earned and payable to Phase 1 DC based on a defined fee schedule until the end of the VPF term. One VPF is payable for every digital title initially displayed per System. The amount of VPF revenue is dependent on the number of movie titles released and displayed using the Systems in any given accounting period. VPF revenue is recognized in the period in which the digital title first plays on a System for general audience viewing in a digitally equipped movie theatre, as Phase 1 DC's and Phase 2 DC's performance obligations have been substantially met at that time.

Phase 2 DC's agreements with distributors require the payment of VPFs, according to a defined fee schedule, for ten years from the date each system is installed; however, Phase 2 DC may no longer collect VPFs once "cost recoupment," as defined in the contracts with movie studios and distributors, is achieved. Cost recoupment will occur once the cumulative VPFs and other cash receipts collected by Phase 2 DC have equaled the total of all cash outflows, including the purchase price of all Systems, all financing costs, all "overhead and ongoing costs", as defined, and including service fees, subject to maximum agreed upon amounts during the three-year rollout period and thereafter. Further, if cost recoupment occurs before the end of the eighth contract year, the studios will pay us a one-time "cost recoupment bonus." The Company evaluated the constraining estimates related to the variable consideration, i.e. the one-time bonus and determined that it is not probable to conclude at this point in time, that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Under the terms of our standard Cinema Equipment licensing agreements, exhibitors will continue to have the right to use our Systems through the end of the term of the licensing agreement, after which time, they have the option to: (1) return the Systems to us; (2) renew their license agreement for successive one-year terms; or (3) purchase the Systems from us at fair market value. As permitted by these agreements, we have begun, and expect to continue, to pursue the sale of the Systems to such exhibitors. Such sales were as originally contemplated as the conclusion of the digital cinema deployment plan.

Revenues earned in connection with up front exhibitor contributions are deferred and recognized over the expected cost recoupment period.

Exhibitors who purchased and own Systems using their own financing in the Cinema Equipment Business paid us an upfront activation fee of approximately $2.0 thousand per screen (the "Exhibitor-Buyer Structure"). Upfront activation fees were recognized in the period in which these Systems were delivered and ready for content, as we had no further obligations to the customer after that time and collection was reasonably assured. In addition, we recognize activation fee revenue of between $1.0 thousand and $2.0 thousand on Phase 2 DC Systems and for Systems installed by CDF2 Holdings, a related party, (See Note 3 - *Other Interests*) upon installation and such fees are generally collected upfront upon installation. Our services segment manages and collects VPFs on behalf of exhibitors, for which it earns an administrative fee equal to 10% of the VPFs collected.

The Cinema Equipment Business earns an administrative fee of approximately 5% of VPFs collected and, in addition, earns an incentive service fee equal to 2.5% of the VPFs earned by Phase 1 DC. This administrative fee is related to the collection and remittance of the VPF's and the performance obligation is satisfied at that time the related VPF fees are due which is at the time the movies are displayed on screens utilizing our Systems installed in movie theatres. The service fees are recognized as a point in time revenue when the corresponding VPF fees are due from the movie studios and distributors.

Under the terms of the standard cinema equipment licensing agreements, exhibitors will continue to have the right to use the Systems through the end of the term of the licensing agreement, after which time, they have the option to: (1) return the Systems to us; (2) renew their license agreement for successive one-year terms; or (3) purchase the Systems from us at fair market value. As permitted by these agreements, we have begun, and expect to continue, to pursue the sale of the Systems to such exhibitors. Such sales were as originally contemplated as the conclusion of the digital cinema deployment plan. Cinedigm completed the sale of approximately 321 digital projection Systems for an aggregate sales price of approximately $3.7 million during the year ended March 31, 2019.

Content & Entertainment Business

CEG earns fees for the distribution of content in the home entertainment markets via several distribution channels, including digital, video on demand ("VOD"), and physical goods (e.g. DVD and Blu-ray Discs). Fees earned are typically based on the gross amounts billed to our customers less the amounts owed to the media studios or content producers under distribution agreements, and gross media sales of owned or licensed content. Depending upon the nature of the agreements with the platform and content providers, the fee rate that we earn varies. The Company's performance obligations include the delivery of content for subscription on the digital platform, shipment of DVD and Blu-ray Discs, or make available at point-of-sale for transactional and VOD services. Revenue is recognized at the point in time when the performance obligation is satisfied which is when the content is available for subscription on the digital platform, at the time of shipment for physical goods, or point-of-sale for transactional and VOD services as the control over the content or the physical title is transferred to the customer. The Company considers the delivery of content through various distribution channels to be a single performance obligation. Revenue is recognized after deducting the reserves for sales returns and other allowances, which are accounted for as variable consideration.

Reserves for sales returns and other allowances are recorded based upon historical experience. If actual future returns and allowances differ from past experience, adjustments to our allowances may be required.

CEG also has contracts for the theatrical distribution of third party feature movies and alternative content. CEG's distribution fee revenue and CEG's participation in box office receipts is recognized at the time a feature movie and alternative content are viewed. CEG has the right to receive or bill a portion of the theatrical distribution fee in advance of the exhibition date, and therefore such amount is recorded as a receivable at the time of execution, and all related distribution revenue is deferred until the third party feature movies' or alternative content's theatrical release date.

Principal Agent Considerations

We determine whether revenue should be reported on a gross or net basis based on each revenue stream. Key indicators that we use in evaluating gross versus net treatment include, but are not limited to, the following:

- which party is primarily responsible for fulfilling the promise to provide the specified good or service; and
- which party has discretion in establishing the price for the specified good or service.

Based on our evaluation of the above indicators, we concluded that there were no changes to our gross versus net reporting from legacy GAAP.

Shipping and Handling

Shipping and handling costs are incurred to move physical goods (e.g. DVD and Blu-ray Discs) to customers. We recognize all shipping and handling costs as an expense in cost of goods sold because we are responsible for delivery of the product to our customers prior to transfer of control to the customer.

Contract Liabilities

We generally record a receivable related to revenue when we have an unconditional right to invoice and receive payment, and we record deferred revenue (contract liability) when cash payments are received or due in advance of our performance, even if amounts are refundable.

We maintain reserves for potential credit losses on accounts receivable. We review the composition of accounts receivable and analyze historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment patterns to evaluate the adequacy of these reserves. Reserves are recorded primarily on a specific identification basis.

Our CEG segment recognizes accounts receivable, net of an estimated allowance for product returns and customer chargebacks, at the time that it recognizes revenue from a sale. Reserves for product returns and other allowances are recorded based upon historical experience. If actual future returns and allowances differ from past experience, adjustments to our allowances may be required. Sales returns and allowances are reported as a reduction of revenues.

We record accounts receivable, long-term in connection with activation fees that we earn from Systems deployments that have extended payment terms. Such accounts receivable are discounted to their present value at prevailing market rates. The outstanding balances on these arrangements are insignificant and hence the impact of significant financing would be insignificant.

Deferred revenue pertaining to our Content & Entertainment Business includes amounts related to the sale of DVD's with future release dates.

Deferred revenue relating to our Cinema Equipment Business pertains to revenues earned in connection with up front exhibitor contributions that are deferred and recognized over the expected cost recoupment period. It also includes unamortized balances in connection with activation fees due from the Systems deployments that have extended payment terms.

The opening balance and ending balance of deferred revenue, including current and non-current balances as of April 1, 2018 and March 31, 2019 were $ 5.7 million and $ 4.0 million , respectively. For the twelve months ended March 31, 2019, the additions to our deferred revenue balance were primarily due to cash payments received or due in advance of satisfying performance obligations, while the reductions to our deferred revenue balance were primarily due to the recognition of revenue upon fulfillment of our performance obligations, both of which were in the ordinary course of business.

During the twelve months ended March 31, 2019, $4.1 million of revenue was recognized that was included in the deferred revenue balance at the beginning of the period. As of March 31, 2019, the aggregate amount of contract revenue allocated to unsatisfied performance obligations is $ 4.0 million . We expect to recognize approximately $ 1.7 million of this balance over the next 12 months, and the remainder thereafter.

In connection with revenue recognition for CEG, the following are also considered critical accounting policies:

Advances

Advances, which are recorded within prepaid and other current assets within the consolidated balance sheets, represent amounts prepaid to studios or content producers for which we provide content distribution services. We evaluate advances regularly for recoverability and record impairment charges for amounts that we expect may not be recoverable as of the consolidated balance sheet date.

Participations and royalties payable

When we use third parties to distribute company owned content, we record participations payable, which represent amounts owed to the distributor under revenue-sharing arrangements. When we provide content distribution services, we record accounts payable and accrued expenses to studios or content producers for royalties owed under licensing arrangements. We identify and record as a reduction to the liability any expenses that are to be reimbursed to us by such studios or content producers.

Results of Operations for the Fiscal Years Ended March 31, 2019 and 2018

Revenues

	For the Fiscal Year Ended March 31,			
($ in thousands)	**2019**	**2018**	**$ Change**	**% Change**
Cinema Equipment Business	$ 26,199	$ 37,577	$ (11,378)	(30.3)%
Content & Entertainment	27,335	30,106	(2,771)	(9.2)%
	$ 53,534	$ 67,683	$ (14,149)	(20.9)%

Revenues generated by our Cinema Equipment Business segment decreased primarily as a result of the reduced number of systems earning VPF revenue and Service Fees. The Phase I Systems Deployment period ended for major studios during the fiscal year ended March 31, 2018. The decrease in Revenues was offset by revenues generated from the sale of 321 digital projection systems for approximately $2.8 million. Content & Entertainment revenue decreased by $2.8 million as a result of a decline in DVD business and licensing revenue offset by an increase in digital transactional revenues in our distributed business.

Direct Operating Expenses

($ in thousands)	For the Fiscal Year Ended March 31, 2019	2018	$ Change	% Change
Cinema Equipment Business	$ 1,401	$ 1,526	$ (125)	(8.2)%
Content & Entertainment	14,719	17,997	(3,278)	(18.2)%
	$ 16,120	$ 19,523	$ (3,403)	(17.4)%

Direct operating expenses decreased in the year ended March 31, 2019 compared to the prior year, primarily due to lower content & entertainment business revenues resulting in lower royalty expense combined with significant reduction in impairment costs drove operating expense decreases.

Selling, General and Administrative Expenses

($ in thousands)	For the Fiscal Year Ended March 31, 2019	2018	$ Change	% Change
Cinema Equipment Business	$ 1,960	$ 1,755	$ 205	11.7 %
Content & Entertainment	15,322	16,715	(1,393)	(8.3)%
Corporate	10,379	9,984	395	4.0 %
	$ 27,661	$ 28,454	$ (793)	(2.8)%

Selling, general and administrative expenses for the year ended March 31, 2019 compared to prior year decreased by $0.8 million mainly due to a decrease of $1.2 million in marketing spend in our OTT business, a decrease of $0.7 million in stock based compensation compared to higher stock-based compensation in the prior year resulting from the accelerated vesting of all our equity from the change of control of the Company from the Bison transaction, and a decrease of $0.7 million in bonus expenses relating to that transaction. These decreases were offset by an increase of $1.2 million in professional consulting expenses relating to a potential acquisition and an increase of $0.6 million in severance expense resulting from our cost cutting initiation.

Provision for Doubtful Accounts

Provision for doubtful accounts was $1.6 million and $ 1.0 million for the fiscal years ended March 31, 2019 and 2018, respectively.

Depreciation and Amortization Expense on Property and Equipment

($ in thousands)	For the Fiscal Year Ended March 31, 2019	2018	$ Change	% Change
Cinema Equipment Business	$ 7,599	11,690	(4,091)	(35.0)%
Content & Entertainment	343	443	(100)	(22.6)%
Corporate	182	279	(97)	(34.8)%
	$ 8,124	$ 12,412	$ (4,288)	(34.5)%

Depreciation and amortization expense decreased for the year ended March 31, 2019, compared to the prior year; predominantly due to a $ 4.1 million decrease in the Cinema Equipment Business segment as the majority of our digital cinema projection systems reached the conclusion of their ten-year useful lives during fiscal year 2018. Remaining projectors in the Ph2 KBC deployment will continue to depreciate through their ten-year useful life.

Interest expense, net

($ in thousands)	For the Fiscal Year Ended March 31, 2019	2018	$ Change	% Change
Cinema Equipment Business	$ 4,741	$ 7,200	$ (2,459)	(34.2)%
Corporate	5,515	6,993	(1,478)	(21.1)%
	$ 10,256	$ 14,193	$ (3,937)	(27.7)%

Interest expense in the Cinema Equipment Business segment decreased primarily as a result of reduced debt balances compared to the prior year, due to the payoff of our KBC facilities, vendor notes and reduction of the Prospect Term Loan. Interest expense in our Corporate segment decreased as a result of the payoff of the remaining $46.3 million of the convertible debt that was exchanged on November 1, 2017, offset by an increase in interest expense for the Bison note which began December 29, 2017.

Income Tax Expense

We recorded income tax expense from operations of $0.3 million and $0.4 million for the years ended March 31, 2019 and 2018, respectively, primarily for state income taxes in our Cinema Equipment Business and Corporate segments. Income tax expense was mainly related to taxable income at the state level and timing differences related to fixed asset depreciation.

Debt conversion expense and loss on extinguishment of notes payable

There was no debt conversion or loss on extinguishment expense for the year ended March 31, 2019. We recorded debt conversion expense and loss on extinguishment of notes payable of $ 4.5 million for the year ended March 31, 2018, for the conversion of an aggregate of $46.8 million of Convertible Notes.

Adjusted EBITDA

We define Adjusted EBITDA to be earnings before interest, taxes, depreciation and amortization, other income, net, stock-based compensation and other expenses, merger and acquisition costs, restructuring, transition and acquisitions expense, net, goodwill impairment and certain other items.

Adjusted EBITDA (including the results of Cinema Equipment Business segment) for the year ended March 31, 2019 decreased, by $ 11.4 million or 49% , compared to the year ended March 31, 2018. Adjusted EBITDA loss from our non-cinema equipment business was negative $7.9 million for the year ended March 31, 2019 , compared to an Adjusted EBITDA of negative $2.7 million for the year ended March 31, 2018 . The decrease in Adjusted EBITDA compared to the prior period primarily reflects lower revenue in all of our business segments.

Adjusted EBITDA is not a measurement of financial performance under GAAP and may not be comparable to other similarly titled measures of other companies. We use Adjusted EBITDA as a financial metric to measure the financial performance of the business because management believes it provides additional information with respect to the performance of its fundamental business activities. For this reason, we believe Adjusted EBITDA will also be useful to others, including its stockholders, as a valuable financial metric.

We present Adjusted EBITDA because we believe that Adjusted EBITDA is a useful supplement to net loss as an indicator of operating performance. We also believe that Adjusted EBITDA is a financial measure that is useful both to management and investors when evaluating our performance and comparing our performance with that of our competitors. We also use Adjusted EBITDA for planning purposes and to evaluate our financial performance because Adjusted EBITDA excludes certain incremental expenses or non-cash items, such as stock-based compensation charges, that we believe are not indicative of our ongoing operating performance.

We believe that Adjusted EBITDA is a performance measure and not a liquidity measure, and therefore a reconciliation between net loss and Adjusted EBITDA has been provided below. Adjusted EBITDA should not be considered as an alternative to income from operations or net loss as an indicator of performance or as an alternative to cash flows from operating activities as an indicator of cash flows, in each case as determined in accordance with GAAP, or as a measure of liquidity. In addition, Adjusted EBITDA does not take into account changes in certain assets and liabilities as well as interest and income taxes that can affect cash flows. We do not intend the presentation of these non-GAAP measures to be considered in isolation or as a substitute for results prepared in accordance with GAAP. These non-GAAP measures should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP.

Following is the reconciliation of our consolidated net loss to Adjusted EBITDA:

	For the Fiscal Year Ended March 31,	
($ in thousands)	**2019**	**2018**
Net loss	$ (16,265)	$ (18,495)
Add Back :		
Income tax expense	295	401
Depreciation and amortization of property and equipment	8,124	12,412
Amortization of intangible assets	5,627	5,580
Interest expense, net	10,256	14,193
Debt conversion expense and loss on extinguishment of notes payable	—	4,504
Other expense, net	2,019	2,028
Change in fair value of interest rate derivatives	—	(157)
Provision for doubtful accounts	—	253
Stock-based compensation and expenses	1,576	2,279
Net loss attributable to noncontrolling interest	32	41
Adjusted EBITDA	$ 11,664	$ 23,039
Adjustments related to the Cinema Equipment Business		
Depreciation and amortization of property and equipment	$ (7,599)	$ (11,690)
Amortization of intangible assets	(46)	(46)
Provision for doubtful accounts	—	(253)
Bonuses	—	(59)
Stock-based compensation and expenses	(26)	—
Income from operations	(11,884)	(13,683)
Adjusted EBITDA from non-cinema equipment business	$ (7,891)	$ (2,692)

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* , which supersedes the existing guidance for lease accounting, Leases (Topic 840). ASU 2016-02 requires lessees to recognize leases on their balance sheets, and leaves lessor accounting largely unchanged. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018 and interim periods within those fiscal years. Early application is permitted for all entities. The Company expects to adopt the provisions of this guidance on April 1, 2019 using an optional transition method with a cumulative effect adjustment to accumulated deficit and not restatement comparative periods presented.

We plan to adopt the standard in effective April 1, 2019. We will take advantage of the transition package of practical expedients permitted within the new standard, which among other things, allows us to carryforward the historical lease classification and elect the accounting policy election to utilize the short-term lease exemption, whereby leases with a team of 12 months or less will not follow the recognition and measurement requirements of the new standard

We expect adoption of the new standard will result in the recording of right-of-use assets and lease liabilities of approximately $ 2.4 million and $ 2.5 million, respectively, as of April 1, 2019. We do not believe the new standard will have a notable impact on our liquidity. The standard will have no impact on our debt-covenant compliance under our current agreements.

In preparation for the adoption of the standard, the Company has implemented internal controls to enable the preparation of financial information and disclosures including the assessment of the impact of the standard.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which provides new guidance regarding the measurement and recognition of credit impairment for certain financial assets. Such guidance will impact how the Company determines its allowance for estimated uncollectible receivables and evaluates its available-for-sale investments for impairment. ASU 2016-13 is effective for the Company in the first quarter of 2020, with early adoption permitted in the first quarter of 2019. The Company is currently evaluating the effect that ASU 2016-13 will have on its consolidated financial statements and related disclosures.

In June 2018, the FASB issued ASU 2018-07, *Improvements to Nonemployee Share-Based Payment Accounting* to simplify the accounting for nonemployee share-based payment transactions by expanding the scope of ASC Topic 718, *Compensation -Stock Compensation* , to include share-based payment transactions for acquiring goods and services from nonemployees. Under the new standard, most of the guidance on stock compensation payments to nonemployees would be aligned with the requirements for share-based payments granted to employees. This standard is effective for annual reporting periods beginning after December 15, 2018, including interim reporting periods within those annual reporting periods, with early adoption permitted. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

On August 29, 2018, the FASB issued ASU 2018-15, *Intangibles-Goodwill and Other-Internal-Use Software* (Subtopic 350-40) *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract.* This new guidance, which was early adopted by the Company, requires a customer in a cloud computing arrangement that is a service contract to follow the internal-use software guidance in ASC 350-40 to determine which implementation costs to capitalize as assets or expense as incurred. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

Liquidity and Capital Resources

We have incurred net losses each year since we commenced our operations. Since our inception, we have financed our operations substantially through the private placement of shares of our common and preferred stock, the issuance of promissory notes, our initial public offering and subsequent private and public offerings, notes payable and common stock used to fund various acquisitions.

We may continue to generate net losses in the future primarily due to depreciation and amortization, interest on notes payable, marketing and promotional activities and content acquisition and marketing costs. Certain of these costs, including costs of content acquisition, marketing and promotional activities, could be reduced if necessary. The restrictions imposed by our debt agreements may limit our ability to obtain financing, make it more difficult to satisfy our debt obligations or require us to dedicate a substantial portion of our cash flow to payments on our existing debt obligations. The Prospect Loan requires certain screen turn performance from certain of our Cinema Equipment Business subsidiaries. While such restrictions may reduce the availability of our cash flow to fund working capital, capital expenditures and other corporate requirements, we do not have similar restrictions imposed upon our CEG business. We may seek to raise additional capital as necessary. Failure to generate additional revenues, raise additional capital or manage discretionary spending could have an adverse effect on our financial position, results of operations or liquidity.

In accordance with the Stock Purchase Agreement, on December 29, 2017, the Company entered into a loan agreement with BEMG, pursuant to which the Company borrowed $10.0 million (the "2017 Loan"). The maturity date was June 28, 2021 with interest at 5% per annum, payable quarterly in cash. The 2017 Loan is unsecured and may be prepaid without premium or penalty, and contains customary covenants, representations and warranties. The proceeds of the 2017 Loan were used for working capital and general corporate purposes. As part of this 2017 Loan, the Company also issued warrants to BEMG to purchase 1,400,000 shares of the Company's Class A common stock (the "Warrants"). The 2017 Loan was paid in full on July 20, 2018.

The 2018 Loan has a one (1) year term that may be extended by mutual agreement of Bison Global and the Company and bears interest at 5% per annum, payable quarterly in cash. On July 12, 2019, we entered into a Termination Agreement for the 2018 Loan and at the same time entered into a $10.0 million Convertible Promissory Note. See Note 12 - *Subsequent Events* .

On October 9, 2018, the Company issued a subordinated convertible note (the "Convertible Note") to MingTai Investment LP (the "Lender") for $5.0 million from the Lender. All proceeds from the Convertible Note was used to pay the $5.0 million 2013 Notes described in Note 5 - *Notes Payable* .

On July 12, 2019, the Company and Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1, another affiliate of Bison Global, entered into a Termination Agreement with respect to the 2018 Loan between them, pursuant to which the Company had borrowed from Bison Global $10.0 million . Pursuant to the Termination Agreement, the accrued and unpaid interest on such outstanding principal amount will be paid in cash to Bison Global no later than September 30, 2019. Contemporaneously with the Termination Agreement, the Company entered into a Bison Convertible Note with Bison Global for $10.0 million .

The Bison Convertible Note has a term ending on March 4, 2020, and bears interest at 5% per annum. The principal is payable upon maturity, in cash or in shares of Common Stock, or a combination of cash and Common Stock, at the Company's option. The Bison Convertible Note is unsecured and may be prepaid without premium or penalty, and contains customary covenants, representations and warranties. The proceeds of the Bison Convertible Note were used to repay the 2018 Loan.

The Bison Convertible Note, offset by the concurrent payoff and termination of the 2018 Loan, did not result in any increase to the Company's outstanding debt balance.

On July 9, 2019, the Company entered into the Stock Purchase Agreement with BEMG, an affiliate of Bison Capital Holding Company Limited, which, through an affiliate, is the majority holder of our Class A common stock, pursuant to which the Company agreed to sell to BEMG a total of 2,000,000 shares of SPA Shares, for an aggregate purchase price in cash of $3.0 million priced at $1.50 per share. The sale of the SPA Shares was consummated on July 9, 2019. The SPA Shares are subject to certain transfer restrictions. The proceeds of the sale of the SPA Shares sold were used for working capital, including the repayment of Second Lien Loans (as defined in Note 5 - *Notes Payable*). In addition, the Company has agreed to enter into a registration rights agreement for the resale of the SPA Shares.

Non-Recourse Indebtedness

Our Cinema Equipment Business has historically been financed through a series of non-recourse loans. Certain of the subsidiaries that make up the Cinema Equipment Business have pledged their assets as collateral for, and are liable with respect to, certain indebtedness for which our other subsidiaries and their assets generally are not. We have referred to this indebtedness as "non-recourse debt" because the recourse of the lenders is limited to the assets of specific subsidiaries. Such indebtedness includes the Prospect Loan, the KBC Facilities, the 2013 Term Loans, the P2 Vendor Note and the P2 Exhibitor Notes. The balance of our non-recourse debt, net of related debt issuance costs, as of March 31, 2019 was $19.1 million for our Cinema Equipment Business segment, which mature as presented in the Contractual Obligations table below. We continue to expect cash flows from our Cinema Equipment Business operations will be sufficient to satisfy our liquidity and contractual requirements that are linked to these operations.

Revolving Credit Agreements

On March 30, 2018, the Company entered into a new Loan, Guaranty and Security Agreement, dated as of March 30, 2018, by and between the Company, East West Bank ("EWB") and the Guarantors named therein, which are certain subsidiaries of the Company (the "Loan Agreement"). The Loan Agreement provides for a credit facility (the "Credit Facility") consisting of a maximum of $19.0 million in revolving loans at any one time outstanding and having a maturity date of March 31, 2020, which may be extended for two successive periods of one year each at the sole discretion of the lender so long as certain conditions are met.

Interest is due monthly on the last day of the month based on the rate determined by the Company in prior month of either 0.5% plus Prime Rate or 3.25% above LIBOR Rate established by EWB.

On March 30, 2018, the Company borrowed $8.2 million under the Credit Facility. The proceeds from the Credit Facility were used to pay the $7.8 million outstanding principal and accrued interest under the prior credit agreement. During the year ended March 31, 2019, the Company borrowed an additional $10.4 million under the Credit Facility. As of March 31, 2019, there was $18.6 million outstanding and there was no additional availability under the Credit Facility based on the Company's borrowing base.

On July 3, 2019, the Company entered into the EWB Amendment to the Loan, Guaranty and Security Agreement, dated as of March 30, 2018, by and between the Company, East West Bank and the Guarantors named therein. The EWB Amendment reduced the size of the facility to $18.0 million , required certain prepayments and daily cash sweeps from collections of receivables to be made, changed in certain respects how the borrowing base is calculated, extended the maturity date to June 30, 2020 and excluded Future Today Inc and any of its future subsidiaries (in connection with the previously announced agreement to acquire Future Today, Inc.) from requirements to become Guarantors. In connection with the EWB Amendment, three of our subsidiaries became Guarantors under the EWB Credit Agreement.

Other Indebtedness

In October 2013, we issued notes to certain investors in the aggregate principal amount of $5.0 million (the "2013 Notes") and warrants to purchase 150,000 shares of Class A Common Stock to such investors. The principal amount outstanding under the 2013 Notes is due on October 21, 2018 and the notes bore interest at 9.0% per annum, payable in quarterly installments.
The 2013 Notes were paid in full on October 18, 2018, prior to their maturity date of October 21, 2018.

On October 9, 2018, the Company issued a subordinated convertible note (the “Convertible Note”) to MingTai Investment LP (the “Lender”) for $5.0 million. All proceeds from the Convertible Note were used to pay the $5.0 million 2013 Notes described above. See Note 5 - *Notes Payable* . The Convertible Note bears interest at 8% and matures on October 9, 2019 with two one year extensions at the Company's option.

The Convertible Note is convertible into 3,333,333 shares of the Company's Class A common stock, based on initial conversion price of $1.50 per share. The Convertible Note is convertible at the option of the Lender, or the Company, at any time prior to payment in full of the principal balance, and all accrued interest on the Convertible Note in whole, or in part, into fully paid and non-assessable shares of Company’s Class A common stock.

Upon conversion by the Lender, we may elect to settle such conversion in shares of our Class A common stock, cash or a combination thereof. As a result of our cash conversion option, we separately accounted for the value of the embedded conversion option as a debt discount (with an offset to APIC) of $270 thousand. The value of the embedded conversion option was determined based on the estimated fair value of the debt without the conversion feature, which was determined using market comparables to estimate the fair value similar non-convertible debt; the debt discount is being amortized as additional non-cash interest expense using the effective interest method over the term of the Note.

The $10.0 million note payable to Bison Global Investment SPC due July 20, 2019 is guaranteed by Bison Entertainment and Media Group ("BEMG"). On July 20, 2018, the Company also entered into a side letter (the “Letter”) with BEMG, where BEMG agreed to guarantee the payment directly to Bison Global of any amount due if (i) the 2018 Loan matures prior to June 28, 2021 or (ii) Bison Global demands payment of the 2018 Loan, in whole or in part, prior to maturity.

On July 12, 2019, the Company and Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1, another affiliate of Bison Global, entered into a Termination Agreement with respect to the 2018 Loan between them, pursuant to which the Company had borrowed from Bison Global $10.0 million . Pursuant to the Termination Agreement, the accrued and unpaid interest on such outstanding principal amount will be paid in cash to Bison Global no later than September 30, 2019. Contemporaneously with the Termination Agreement, the Company entered into a Bison Convertible Note with Bison Global for $10.0 million .

The Bison Convertible Note has a term ending on March 4, 2020, and bears interest at 5% per annum. The principal is payable upon maturity, in cash or in shares of Common Stock, or a combination of cash and Common Stock, at the Company’s option. The Bison Convertible Note is unsecured and may be prepaid without premium or penalty, and contains customary covenants, representations and warranties. The proceeds of the Bison Convertible Note were used to repay the 2018 Loan.

The Bison Convertible Note, offset by the concurrent payoff and termination of the 2018 Loan, did not result in any increase to the Company’s outstanding debt balance.

In addition, as discussed in more detail in Note 5 - *Notes Payable* , our debt obligations have instituted certain financial and liquidity covenants and capital requirements, and from time to time, we may need to use available capital resources and raise additional capital to satisfy these covenants and requirements.

Changes in our cash flows were as follows:

($ in thousands)	For the Fiscal Years Ended March 31, 2019	2018
Net cash provided by operating activities	$ 11,088	$ 22,397
Net cash used in investing activities	(1,970)	(931)
Net cash used in financing activities	(9,198)	(16,080)
Net (decrease) increase in cash and cash equivalents	$ (80)	$ 5,386

As of March 31, 2019 , we had cash, cash equivalents and restricted cash balances of $18.9 million .

Net cash provided by operating activities is primarily driven by loss from operations, excluding non-cash expenses such as depreciation, amortization, provision for doubtful accounts and stock-based compensation, offset by changes in working capital. Cash received from VPFs declined from the previous period as Phase I Deployment Systems in our Cinema Equipment Business reached the conclusion of their deployment payment period with certain major studios. Changes in accounts receivable from our studio customers largely impact cash flows from operating activities and vary based on the seasonality of movie release schedules by the major studios. Operating cash flows from CEG are typically higher during our fiscal third and fourth quarters, resulting from revenues earned during the holiday season, and lower in the other two quarters as we pay royalties on such revenues. In addition, we make advances on theatrical releases and to certain home entertainment distribution clients for which initial expenditures are generally recovered within six to twelve months.

Cash flows used in investing activities consisted of purchases of property and equipment.

For the year ended March 31, 2019, cash flows used in financing activities reflects payments of $19.1 million for the 2013 Prospect Loan, $5.0 million for the 2013 Notes, $0.3 million for P2 Vendor Note, and $0.2 million for the KBC Note, offset by$10.4 million drawn from the Credit Facility and $5.0 million proceeds from the $5.0 million Convertible Note.

We have contractual obligations that primarily consist of term notes payable, credit facilities, and non-cancelable operating leases related to office space.

The following table summarizes our significant contractual obligations as of March 31, 2019 :

Contractual Obligations (in thousands)	Payments Due Total	2020	2021 & 2022	2023 & 2024	Thereafter
Long-term recourse debt	$ 44,755	$ 44,755	$ —	$ —	$ —
Long-term non-recourse debt [1]	20,627	—	20,627	—	—
Debt-related obligations, principal	$ 65,382	$ 44,755	$ 20,627	$ —	$ —
Interest on recourse debt	$ 7,885	$ 6,828	$ 1,057	$ —	$ —
Interest on non-recourse debt [1]	5,654	2,831	2,823	—	—
Total interest	$ 13,539	$ 9,659	$ 3,880	$ —	$ —
Total debt-related obligations	$ 78,921	$ 54,414	$ 24,507	$ —	$ —
Total non-recourse debt including interest	$ 26,281	$ 2,831	$ 23,450	$ —	$ —
Operating lease obligations	$ 2,925	$ 1,109	$ 1,816	$ —	$ —

(1) Non-recourse debt is generally defined as debt whereby the lenders' sole recourse, with respect to defaults, is limited to the value of the asset that is collateral for the debt. The Prospect Loan is not guaranteed by us or our other subsidiaries, other than Phase 1 DC and DC Holdings and the KBC Facilities are not guaranteed by us or our other subsidiaries, other than Phase 2 DC.

We may continue to generate net losses for the foreseeable future primarily due to depreciation and amortization, interest on our debt obligations, marketing and promotional activities and content acquisition and marketing costs. Certain of these costs, including costs of content acquisition, marketing and promotional activities, could be reduced if necessary. The restrictions imposed by the terms of our debt obligations may limit our ability to obtain financing, make it more difficult to satisfy our debt obligations or require us to dedicate a substantial portion of our cash flow to payments on our existing debt obligations. We feel we are adequately financed for at least the next twelve months; however we may need to raise additional capital for working capital as deemed necessary. Failure to generate additional revenues, raise additional capital or manage discretionary spending could have an adverse effect on our financial position, results of operations or liquidity.

Seasonality

Revenues from our Cinema Equipment segment derived from the collection of VPFs from motion picture studios are seasonal, coinciding with the timing of releases of movies by the motion picture studios. Generally, motion picture studios release the most marketable movies during the summer and the winter holiday season. The unexpected emergence of a hit movie during other periods can alter the traditional trend. The timing of movie releases can have a significant effect on our results of operations, and the results of one quarter are not necessarily indicative of results for the next quarter or any other quarter. While CEG benefits from the winter holiday season, we believe the seasonality of motion picture exhibition, is becoming less pronounced as the motion picture studios are releasing movies somewhat more evenly throughout the year.

Off-balance sheet arrangements

We are not a party to any off-balance sheet arrangements, other than operating leases in the ordinary course of business, which are disclosed above in the table of our significant contractual obligations, and CDF2 Holdings. In addition, as discussed further in Note 2 - *Basis of Presentation and Consolidation* and Note 4 - *Other Interests* to the Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K, we hold a 100% equity interest in CDF2 Holdings, which is an unconsolidated variable interest entity ("VIE"), which wholly owns Cinedigm Digital Funding 2, LLC; however, we are not the primary beneficiary of the VIE.

Impact of Inflation

The impact of inflation on our operations has not been significant to date. However, there can be no assurance that a high rate of inflation in the future would not have an adverse impact on our operating results.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

CINEDIGM CORP.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Cinedigm Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Cinedigm Corp. (the "Company") as of March 31, 2019 and 2018 and the related consolidated statements of operations, comprehensive loss, deficit, and cash flows for each of the years in the two-year period ended March 31, 2019, and the related notes. In our opinion, the financial statements present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2019 and 2018 , and the consolidated results of its operations and its cash flows for each of the years in the two-year period ended March 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

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 Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

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/ EisnerAmper LLP

We have served as the Company's auditor since 2004.

EISNERAMPER LLP
New York, New York
July 15, 2019

CINEDIGM CORP.
CONSOLIDATED BALANCE SHEETS
(In thousands, except for share and per share data)

	March 31,	
	2019	**2018**
ASSETS		
Current assets		
Cash and cash equivalents	$ 17,872	$ 17,952
Accounts receivable, net	35,510	38,128
Inventory, net	673	792
Unbilled revenue	2,336	6,799
Prepaid and other current assets	8,488	10,497
Total current assets	64,879	74,168
Restricted cash	1,000	1,000
Property and equipment, net	14,047	21,483
Intangible assets, net	9,686	14,653
Goodwill	8,701	8,701
Other long-term assets	526	1,177
Total assets	$ 98,839	$ 121,182
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	$ 68,707	$ 69,225
Current portion of notes payable, including unamortized debt discount of $1,436 and $225, respectively (see Note 5)	43,319	4,775
Current portion of notes payable, non-recourse (see Note 5)	—	512
Current portion of deferred revenue	1,687	1,821
Total current liabilities	113,713	76,333
Notes payable, non-recourse, net of current portion and unamortized debt issuance costs of $1,495 and $2,140 respectively (see Note 5)	19,132	37,570
Notes payable, net of current portion and unamortized debt issuance costs of $0 and $3,352, respectively (see Note 5)	—	25,435
Deferred revenue, net of current portion	2,357	3,842
Other long-term liabilities	205	306
Total liabilities	135,407	143,486
Commitments and contingencies (see Note 7)		
Stockholders' Deficit		
Preferred stock, 15,000,000 shares authorized; Series A 10% - $0.001 par value per share; 20 shares authorized; 7 shares issued and outstanding at March 31, 2019 and 2018. Liquidation preference of $3,648	3,559	3,559
Common stock, $0.001 par value; Class A stock 60,000,000 shares authorized at March 31, 2019 and 2018; 36,992,433 and 36,261,975 shares issued and 35,678,597 and 34,948,139 shares outstanding at March 31, 2019 and 2018, respectively.	36	35
Additional paid-in capital	368,531	366,223
Treasury stock, at cost; 1,313,836 Class A common shares at March 31, 2019 and 2018.	(11,603)	(11,603)
Accumulated deficit	(395,814)	(379,225)
Accumulated other comprehensive income (loss)	10	(38)
Total stockholders' deficit of Cinedigm Corp.	(35,281)	(21,049)
Deficit attributable to noncontrolling interest	(1,287)	(1,255)
Total deficit	(36,568)	(22,304)
Total liabilities and deficit	$ 98,839	$ 121,182

See accompanying Notes to Consolidated Financial Statements

CINEDIGM CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except for share and per share data)

	For the Fiscal Year Ended March 31,	
	2019	**2018**
Revenues	$ 53,534	$ 67,683
Costs and expenses:		
Direct operating (excludes depreciation and amortization shown below)	16,120	19,523
Selling, general and administrative	27,661	28,454
Provision for doubtful accounts	1,620	991
Depreciation and amortization of property and equipment	8,124	12,412
Amortization of intangible assets	5,627	5,580
Total operating expenses	59,152	66,960
(Loss) income from operations	(5,618)	723
Interest income	36	57
Interest expense	(10,292)	(14,250)
Debt conversion expense and loss on extinguishment of notes payable	—	(4,504)
Other expense	(96)	(277)
Change in fair value of interest rate derivatives	—	157
Loss from operations before income taxes	(15,970)	(18,094)
Income tax expense	(295)	(401)
Net loss	(16,265)	(18,495)
Net loss attributable to noncontrolling interest	32	41
Net loss attributable to controlling interests	(16,233)	(18,454)
Preferred stock dividends	(356)	(356)
Net loss attributable to common stockholders	$ (16,589)	$ (18,810)
Net loss per Class A common stock attributable to common stockholders - basic and diluted:		
Net loss attributable to common stockholders	$ (0.44)	$ (0.81)
Weighted average number of Class A common stock outstanding: basic and diluted	37,919,754	23,104,811

See accompanying Notes to Consolidated Financial Statements

CINEDIGM CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)

	For the Fiscal Year Ended March 31,	
	2019	**2018**
Net loss	$ (16,265)	$ (18,495)
Other comprehensive income: foreign exchange translation	48	—
Comprehensive loss	(16,217)	(18,495)
Less: comprehensive loss attributable to noncontrolling interest	32	41
Comprehensive loss attributable to controlling interests	$ (16,185)	$ (18,454)

See accompanying Notes to Consolidated Financial Statements

CINEDIGM CORP.
CONSOLIDATED STATEMENTS OF DEFICIT
(In thousands, except share data)

	Series A Preferred Stock		Class A and Class B Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Deficit	Non-Controlling Interest	Total Deficit
	Shares	Amount	Shares	Amount	Shares	Amount						
Balances as of March 31, 2017	7	$ 3,559	11,841,983	$ 12	—	$ —	$ 287,393	$ (360,415)	$ (38)	$ (69,489)	$ (1,214)	$ (70,703)
Issuance of common stock for third-party professional services	—	—	686,641	1	—	—	875	—	—	876	—	876
Common stock issued in connection with conversion of Convertible Notes	—	—	3,536,783	3	—	—	34,285	—	—	34,288	—	34,288
Forfeitures of restricted stock awards, net of issuances	—	—	(27,673)	—	—	—	—	—	—	—	—	—
Issuance of common stock in connection with the stock purchase agreement with Bison, net	—	—	19,666,667	20	—	—	28,011	—	—	28,031	—	28,031
Issuance of common stock in connection with debt instruments	—	—	333,333	—	—	—	500	—	—	500	—	500
Issuance of warrants in connection with Bison, net	—	—	—	—	—	—	1,084	—	—	1,084	—	1,084
Stock-based compensation	—	—	—	—	—	—	2,279	—	—	2,279	—	2,279
Preferred stock dividends paid with common stock	—	—	224,241	—	—	—	356	(356)	—	—	—	—
Treasury stock in connection with taxes withheld from employees	—	—	(134,698)	—	134,698	(163)	—	—	—	(163)	—	(163)
Treasury stock in connection with settlement of structured stock repurchase	—	—	(1,179,138)	(1)	1,179,138	(11,440)	11,440	—	—	(1)	—	(1)
Net loss	—	—	—	—	—	—	—	(18,454)	—	(18,454)	(41)	(18,495)
Balances as of March 31, 2018	7	$ 3,559	34,948,139	$ 35	1,313,836	$ (11,603)	$ 366,223	$ (379,225)	$ (38)	$ (21,049)	$ (1,255)	$ (22,304)

See accompanying Notes to Consolidated Financial Statements

CINEDIGM CORP.
CONSOLIDATED STATEMENTS OF DEFICIT
(In thousands, except share data)

	Series A Preferred Stock		Class A Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Deficit	Non-Controlling Interest	Total Deficit
	Shares	Amount	Shares	Amount	Shares	Amount						
Balances as of March 31, 2018	7	$ 3,559	34,948,139	$ 35	1,313,836	$ (11,603)	$ 366,223	$ (379,225)	$ (38)	$ (21,049)	$ (1,255)	$ (22,304)
Foreign exchange translation	—	—	—	—	—	—	—	—	48	48	—	48
Issuance of shares for asset acquisition	—	—	137,667	—	—	—	106	—	—	106	—	106
Issuance of common stock for third party professional services	—	—	225,862	—	—	—	—	—	—	—	—	—
Fair value of conversion feature in connection with convertible note	—	—	—	—	—	—	270	—	—	270	—	270
Stock-based compensation	—	—	—	—	—	—	1,576	—	—	1,576	—	1,576
Issuance of restricted stock to employees	—	—	10,000	—	—	—	—	—	—	—	—	—
Preferred stock dividends paid with common stock	—	—	356,929	1	—	—	356	(356)	—	1	—	1
Net loss	—	—	—	—	—	—	—	(16,233)	—	(16,233)	(32)	(16,265)
Balances as of March 31, 2019	7	$ 3,559	35,678,597	$ 36	1,313,836	$ (11,603)	$ 368,531	$ (395,814)	$ 10	$ (35,281)	$ (1,287)	$ (36,568)

See accompanying Notes to Consolidated Financial Statements

CINEDIGM CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	For the Fiscal Year Ended March 31,	
	2019	**2018**
Cash flows from operating activities:		
Net loss	$ (16,265)	$ (18,495)
Adjustments to reconcile net loss to cash provided by operating activities:		
Depreciation and amortization of property and equipment and amortization of intangible assets	13,751	17,992
Loss from sale of property and equipment	729	64
Amortization of debt issuance costs included in interest expense	1,888	2,035
Provision for doubtful accounts	1,469	991
Recovery for inventory reserve	(92)	(392)
Stock-based compensation and expenses	1,576	2,279
Change in fair value of interest rate derivatives	—	157
Accretion and PIK interest expense added to note payable	1,708	1,303
Debt conversion expense and loss on extinguishment of notes payable	—	4,504
Changes in operating assets and liabilities:		
Accounts receivable	1,149	14,870
Inventory	211	737
Unbilled revenue	4,463	(1,144)
Prepaid and other assets	2,660	2,934
Accounts payable and accrued expenses	(540)	(3,316)
Deferred revenue	(1,619)	(2,122)
Net cash provided by operating activities	11,088	22,397
Cash flows from investing activities:		
Purchases of property and equipment	(1,417)	(925)
Purchases of intangible assets	(553)	(6)
Net cash used in investing activities	(1,970)	(931)
Cash flows from financing activities:		
Payments of notes payable	(24,594)	(41,729)
Proceeds (repayments) under revolving credit agreement, net	10,396	(11,372)
Proceeds from issuance of convertible note and notes payable	5,000	10,000
Repurchase of Class A common stock	—	(163)
Net proceeds from issuance of common stock	—	28,031
Principal payments on capital leases	—	(66)
Payments of debt issuance costs	—	(781)
Net cash used in financing activities	(9,198)	(16,080)
Net change in cash and cash equivalents	(80)	5,386
Cash and cash equivalents at beginning of year	18,952	13,566
Cash and cash equivalents at end of year	$ 18,872	$ 18,952

See accompanying Notes to Consolidated Financial Statements

1. NATURE OF OPERATIONS AND LIQUIDITY

Cinedigm Corp. ("Cinedigm," the "Company," "we," "us," or similar pronouns) was incorporated in Delaware on March 31, 2000. We are (i) a leading distributor and aggregator of independent movie, television and other short form content managing a library of distribution rights to thousands of titles and episodes released across digital, physical, theatrical, home and mobile entertainment platforms and (ii) a leading servicer of digital cinema assets in over 12,000 movie screens in both North America and several international countries.

Change of Reportable Segments

We previously had four reportable segments. As of April 1, 2018, information that our Chief Operating Decision Maker ("CODM") regularly reviews, for purposes of evaluating Company performance has been aggregated due to the winding down of Cinedigm Digital Funding I, LLC ("CDF I"). As a result, the Company reassessed and decided to revise its determination of
the reportable segments. We now present our results of operations in two reportable segments as follows: (1) Cinema Equipment Business and (2) Content and Entertainment Business (“Content & Entertainment” or "CEG"). See Note 9 - *Segment Information* for detailed descriptions of our segments. We have retrospectively recast the results of operations for the reportable segments for all periods presented.

Liquidity

We have incurred consolidated net losses of $16.3 million and $18.5 million for the years ended March 31, 2019 and 2018, respectively. We have an accumulated deficit of $395.8 million as of March 31, 2019 . In addition, we have significant debt related contractual obligations for the year ended March 31, 2019 and beyond. As of March 31, 2019 we have net debt obligations of $43.3 million that is current and negative working capital of $48.8 million .

The 2013 Notes (as defined in Note 5 - *Notes Payable*) of $5.0 million were paid in full by October 18, 2018 prior to their maturity date of October 21, 2018.

The Second Lien Loans (as defined in Note 5 - *Notes Payable*) mature on June 30, 2019. On June 28, 2019, the Company entered into a consent agreement with lenders of the Second Lien Loans to an extension of the Second Lien Loans pursuant to which (i) the Company paid half of the outstanding principal amount plus accrued interest to date, and (ii) the maturity date of the remaining outstanding principal amount of the Second Lien Loans was extended to September 30, 2019. On July 10, 2019, the Company paid $3.0 million of the outstanding Second Lien Loans and will obtain additional capital from or through Bison Capital Holding Limited or an affiliate thereof ("Bison") for final payment of the remaining outstanding balances of the Second Lien Loans. See Note 5 - *Notes Payable* .

The $10.0 million note payable ("2018 Loan") to Bison Global Investment SPC due July 20, 2019 is guaranteed by Bison Entertainment and Media Group ("BEMG"). On July 20, 2018, the Company also entered into a side letter (the “Letter”) with BEMG, where BEMG agreed to guarantee the payment directly to Bison Global of any amount due if (i) the 2018 Loan matures prior to June 28, 2021 or (ii) Bison Global demands payment of the 2018 Loan, in whole or in part, prior to maturity.

On July 12, 2019, the Company and Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1, another affiliate of Bison (“Bison Global”), entered into a termination agreement (the “Termination Agreement”) with respect to the $10.0 million 2018 Loan. Pursuant to the Termination Agreement, the accrued and unpaid interest on such outstanding principal amount will be paid in cash to Bison Global no later than September 30, 2019. Contemporaneously with the Termination Agreement, the Company entered into a convertible promissory note (“Bison Convertible Note”) with Bison Global for $10.0 million.

The Bison Convertible Note has a term ending on March 4, 2020, and bears interest at 5% per annum. The principal is payable upon maturity, in cash or in shares of our Class A common stock, par value $0.001 per share (the “Common Stock”), or a combination of cash and Common Stock, at the Company’s option. The Bison Convertible Note is unsecured and may be prepaid without premium or penalty, and contains customary covenants, representations and warranties. The proceeds of the Bison Convertible Note were used to repay the 2018 Loan.

The Bison Convertible Note, offset by the concurrent payoff and termination of the 2018 Loan, did not result in any increase to the Company's outstanding debt balance.

On July 9, 2019, the Company entered into a common stock purchase agreement (the "Stock Purchase Agreement") with Bison Entertainment and Media Group ("BEMG"), an affiliate of Bison Capital Holding Company Limited, which, through an affiliate, is the majority holder of our Class A common stock, pursuant to which the Company agreed to sell to BEMG a total of 2,000,000 shares of Common Stock (the "SPA Shares"), for an aggregate purchase price in cash of $3.0 million priced at $1.50 per share. The sale of the SPA Shares was consummated on July 9, 2019. The SPA Shares are subject to certain transfer restrictions. The proceeds of the sale of the SPA Shares sold were used for working capital, including the repayment of Second Lien Loans (as defined in Note 5 - *Notes Payable*). In addition, the Company has agreed to enter into a registration rights agreement for the resale of the SPA Shares.

On October 9, 2018, the Company issued a subordinated convertible note (the "Convertible Note") to MingTai Investment LP
(the "Lender") for $5.0 million. All proceeds from the Convertible Note were used to pay the $5.0 million 2013 Notes described above. See Note 5 - *Notes Payable* . The Convertible Note bears interest at 8% and matures on October 9, 2019
with two one year extensions at the Company's option.

On July 3, 2019, the Company entered into an amendment (the "EWB Amendment") to the Loan, Guaranty and Security Agreement, dated as of March 30, 2018, by and between the Company, East West Bank and the Guarantors named therein (the "EWB Credit Agreement"). The EWB Amendment reduced the size of the facility to $18.0 million, required certain prepayments and daily cash sweeps from collections of receivables to be made, changed in certain respects how the borrowing base is calculated, extended the maturity date to June 30, 2020 and excluded Future Today Inc and any of its future subsidiaries (in connection with the previously announced agreement to acquire Future Today Inc) from requirements to become Guarantors. In connection with the EWB Amendment, three of our subsidiaries became Guarantors under the EWB Credit Agreement.

We believe the combination of: (i) our cash and cash equivalent balances at March 31, 2019, (ii) expected cash flows from operations, and (iii) the support or availability of funding from Bison and other parties (iv) and the financing transactions that occurred in July, 2019, will be sufficient to satisfy our liquidity and capital requirements for at least one year from the issuance date of the March 31, 2019 Consolidated Financial Statements. Our capital requirements will depend on many factors, and we may need to use capital resources and obtain additional capital. Failure to generate additional revenues, obtain additional capital or manage discretionary spending could have an adverse effect on our financial position, results of operations and liquidity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION AND CONSOLIDATION

Our consolidated financial statements include the accounts of Cinedigm and its wholly owned and majority owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Investments in which we do not have a controlling interest or are not the primary beneficiary, but have the ability to exert significant influence, are accounted for under the equity method of accounting. Noncontrolling interests for which we have been determined to be the primary beneficiary are consolidated and recorded as net loss attributable to noncontrolling interest. See Note 4 - *Other Interests* to the Consolidated Financial Statements for a discussion of our noncontrolling interests.

USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires us to make estimates and assumptions that affect the assets and liabilities, disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Such estimates include the adequacy of accounts receivable reserves, return reserves, inventory reserves, recovery of advances, assessment of goodwill impairment, intangible asset impairment and estimated amortization lives and valuation allowances for income taxes. Actual results could differ from these estimates.

CASH, CASH EQUIVALENTS AND RESTRICTED CASH

We consider all highly liquid investments with an original maturity of three months or less to be "cash equivalents." We maintain bank accounts with major banks, which, from time to time, may exceed the Federal Deposit Insurance Corporation's insured limits. We periodically assess the financial condition of the institutions and believe that the risk of any loss is minimal. Our Prospect Loan (as defined below) requires that we maintain specified cash balances that are restricted to repayment of interest thereunder. See Note 5 - *Notes Payable* for information about our restricted cash balances.

Cash, cash equivalents, and restricted cash consisted of the following:

	As of	
(in thousands)	**March 31, 2019**	**March 31, 2018**
Cash and Cash Equivalents	$ 17,872	$ 17,952
Restricted Cash	1,000	1,000
	$ 18,872	$ 18,952

ACCOUNTS RECEIVABLE

We maintain reserves for potential credit losses on accounts receivable. We review the composition of accounts receivable and analyze historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment patterns to evaluate the adequacy of these reserves. Reserves are recorded primarily on a specific identification basis.

We record accounts receivable, long-term in connection with activation fees that we earn from Systems deployments that have extended payment terms. Such accounts receivable are discounted to their present value at prevailing market rates.

UNBILLED RECEIVABLES

Unbilled receivables represents amounts for which invoices have not yet been sent to clients.

ADVANCES

Advances, which are recorded within prepaid and other current assets within the consolidated balance sheets, represent amounts prepaid to studios or content producers for which we provide content distribution services. We evaluate advances regularly for recoverability and record impairment charges for amounts that we expect may not be recoverable as of the consolidated balance sheet date. Impairments and accelerated amortization related to advances was $1.3 million and $3.6 million for the years ended March 31, 2019 and 2018 , respectively.

INVENTORY, NET

Inventory consists of finished goods of Company owned physical DVD and Blu-ray Disc titles and is stated at the lower of cost (determined based on weighted average cost) or market. We identify inventory items to be written down for obsolescence based on their sales status and condition. We write down discontinued or slow moving inventories based on an estimate of the markdown to retail price needed to sell through our current stock level of the inventories.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation expense is recorded using the straight-line method over the estimated useful lives of the respective assets as follows:

Computer equipment and software	3 - 5 years
Digital cinema projection systems	10 years
Machinery and equipment	3 - 10 years
Furniture and fixtures	3 - 6 years

Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the leasehold improvements. Maintenance and repair costs are charged to expense as incurred. Major renewals, improvements and additions are capitalized. Upon the sale or other disposition of any property and equipment, the cost and related accumulated depreciation and amortization are removed from the accounts and the gain or loss on disposal is included in the consolidated statements of operations.

ACCOUNTING FOR DERIVATIVE ACTIVITIES

Derivative financial instruments are recorded at fair value. Changes in the fair value of derivative financial instruments are either recognized in accumulated other comprehensive loss (a component of stockholders' deficit) or in the consolidated statements of operations depending on whether the derivative qualifies for hedge accounting. We entered into an interest rate cap transaction during the fiscal year ended March 31, 2013 to limit our exposure to interest rates on the Prospect Loan which . matured March 31, 2018. We have not sought hedge accounting treatment for the interest rate cap and therefore, changes in its value are recorded in the consolidated statements of operations.

FAIR VALUE MEASUREMENTS

The fair value measurement disclosures are grouped into three levels based on valuation factors:

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments and market corroborated inputs)
- Level 3 – significant unobservable inputs (including our own assumptions in determining the fair value of investments)

Assets and liabilities measured at fair value on a recurring basis use the market approach, where prices and other relevant information are generated by market transactions involving identical or comparable assets or liabilities.

The following tables summarize the levels of fair value measurements of our financial assets and liabilities as of March 31, 2019 and 2018:

(In thousands)	Level 1	Level 2	Level 3	Total
Restricted cash	$ 1,000	$ —	$ —	$ 1,000

Our cash and cash equivalents, accounts receivable, unbilled revenue and accounts payable and accrued expenses are financial instruments that are recorded at cost in the consolidated balance sheets because the estimated fair values of these financial instruments approximate their carrying amounts due to their short-term nature. At March 31, 2019 and 2018 , the estimated fair value of our fixed rate debt approximated its carrying amount. We estimated the fair value of debt based upon current interest rates available to us at the respective balance sheet dates for arrangements with similar terms and conditions. Based on borrowing rates currently available to us for loans with similar terms, the fair value of the variable rate debt is $33.7 million, and capital lease obligations approximates fair value.

IMPAIRMENT OF LONG-LIVED AND FINITE-LIVED ASSETS

We review the recoverability of our long-lived assets and finite-lived intangible assets, when events or conditions occur that indicate a possible impairment exists. The assessment for recoverability is based primarily on our ability to recover the carrying value of our long-lived and finite-lived assets from expected future undiscounted net cash flows. If the total of expected future undiscounted net cash flows is less than the total carrying value of the asset, the asset is deemed not to be recoverable and possibly impaired. We then estimate the fair value of the asset to determine whether an impairment loss should be recognized. An impairment loss will be recognized if the asset's fair value is determined to be less than its carrying value. Fair value is determined by computing the expected future discounted cash flows. During the years ended March 31, 2019 and 2018, no impairment charge was recorded in operations for long-lived assets or finite-lived assets.

GOODWILL

Goodwill is the excess of the purchase price paid over the fair value of the net assets of an acquired business. Goodwill is tested for impairment on an annual basis or more often if warranted by events or changes in circumstances indicating that the carrying value may exceed fair value, also known as impairment indicators.

Inherent in the fair value determination for each reporting unit are certain judgments and estimates relating to future cash flows, including management's interpretation of current economic indicators and market conditions, and assumptions about our strategic plans with regard to its operations. To the extent additional information arises, market conditions change or our strategies change, it is possible that the conclusion regarding whether our remaining goodwill is impaired could change and result in future goodwill impairment charges that will have a material effect on our consolidated financial position or results of operations.

We are permitted to make a qualitative assessment of whether goodwill is impaired, or opt to bypass the qualitative assessment, and proceed directly to performing a quantitative impairment test, whereby the fair value of a reporting unit is compared with its carrying amount and an impairment charge is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value.

For reporting units where we decide to perform a quantitative testing approach in order to test goodwill, a determination of the fair value of our reporting units is required and is based, among other things, on estimates of future operating performance of the reporting unit and/or the component of the entity being valued. This impairment test includes the projection and discounting of cash flows, analysis of our market factors impacting the businesses we operate and estimating the fair values of tangible and intangible assets and liabilities. Estimating future cash flows and determining their present values are based upon, among other things, certain assumptions about expected future operating performance and appropriate discount rates determined by us.

The discounted cash flow methodology establishes fair value by estimating the present value of the projected future cash flows to be generated from the reporting unit. The discount rate applied to the projected future cash flows to arrive at the present value is intended to reflect all risks of ownership and the associated risks of realizing the stream of projected future cash flows. The discounted cash flow methodology uses projections of financial performance for a five-year period. The most significant assumptions used in the discounted cash flow methodology are the discount rate and expected future revenues and gross margins, which vary among reporting units. The market participant based weighted average cost of capital for each unit gives consideration to factors including, but not limited to, capital structure, historic and projected financial performance, industry risk and size.

In determining fair value of the Content and Entertainment ("CEG") reporting unit, we used various assumptions, including expectations of future cash flows based on projections or forecasts derived from analysis of business prospects, economic or market trends and any regulatory changes that may occur. We estimated the fair value of the reporting unit using a net present value methodology, which is dependent on significant assumptions related to estimated future discounted cash flows, discount rates and tax rates. The assumptions for the goodwill impairment test should not be construed as earnings guidance or long-term projections. Our cash flow assumptions are based on internal projections of adjusted EBITDA for the CEG reporting unit. For the year ended March 31, 2019 and 2018, we assumed a market-based weighted average cost of capital of 17% and 19% , respectively, to discount cash flows for our CEG segment and used a blended federal and state tax rate of approximately 20% as of March 31, 2019 and 2018, respectively. Based on such assumptions, the estimated fair value of the CEG reporting unit as
calculated for goodwill testing purposes exceeded its carrying value, and therefore there was no goodwill impairment charge
for the years ended March 31, 2019 and 2018.

Gross amounts of goodwill and accumulated impairment charges that we have recorded are as follows:

(In thousands)		
Goodwill	$	32,701
Accumulated impairment charges		(24,000)
Net Goodwill at March 31, 2019 and 2018	$	8,701

PARTICIPATIONS AND ROYALTIES PAYABLE

When we use third parties to distribute company owned content, we record participations payable, which represent amounts owed to the distributor under revenue-sharing arrangements. When we provide content distribution services, we record accounts payable and accrued expenses to studios or content producers for royalties owed under licensing arrangements. We identify and record as a reduction to the liability any expenses that are to be reimbursed to us by such studios or content producers. See Note 3 - *Consolidated Balance Sheet Components* .

DEBT ISSUANCE COSTS

We incur debt issuance costs in connection with long-term debt financings. Such costs are recorded as a direct deduction to notes payable and amortized over the terms of the respective debt obligations using the effective interest rate method. Debt issuance costs recorded in connection with revolving debt arrangements are presented as assets on the consolidated balance sheets and are amortized over the term of the revolving debt agreements using the effective interest rate method.

REVENUE RECOGNITION

Adoption of ASU Topic 606, "Revenue from Contracts with Customers"

The Company adopted Accounting Standards Update ("ASU") Topic 606, Revenue from Contracts with Customers (“Topic 606”), as of April 1, 2018, using the modified retrospective method i.e. by recognizing the cumulative effect of initially applying Topic 606 as an adjustment to the opening balance of deficit at April 1, 2018. Therefore, the comparative information for the years ended prior to April 1, 2018 were not restated to comply with ASC 606. We applied the practical expedient and did not capitalize the incremental costs to obtain a contract if the amortization period for the asset is one year or less. The impact of adopting Topic 606 did not result in a change in accounting treatment for any of the Company’s revenue streams. Refer to Note 2 to our Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended March 31, 2018 for our revenue recognition accounting policy as it relates to revenue transactions prior to April 1, 2018. The revenue recognition accounting policy described below relates to revenue transactions from April 1, 2018 and thereafter, which are accounted for in accordance with Topic 606.

We determine revenue recognition by:

- identifying the contract, or contracts, with the customer;
- identifying the performance obligations in the contract;
- determining the transaction price;
- allocating the transaction price to performance obligations in the contract; and
- recognizing revenue when, or as, we satisfy performance obligations by transferring the promised goods or services.

We recognize revenue in the amount that reflects the consideration we expect to receive in exchange for the services provided, sales of physical products (DVD’s and Blu-ray) or when the content is available for subscription on the digital platform or available on the point-of-sale for transactional and VOD services which is when the control of the promised products and services is transferred to our customers and our performance obligations under the contract have been satisfied. Revenues that might be subject to various taxes is recorded net of transaction taxes assessed by governmental authorities such as sales value-added taxes and other similar taxes.

Payment terms and conditions vary by customer and typically provide net 30 to 90 day terms. We do not adjust the promised amount of consideration for the effects of a significant financing component when we expect, at contract inception, that the period between our transfer of a promised product or service to our customer and payment for that product or service will be one year or less. We have in the past entered into arrangements in connection with activation fees due from our digital cinema equipment (the “Systems”) deployments that had extended payment terms. The outstanding balances on these arrangements are insignificant and hence the impact of significant financing would be insignificant.

Cinema Equipment Business

Virtual print fees (“VPFs”) are earned, net of administrative fees, pursuant to contracts with movie studios and distributors, whereby amounts are payable by a studio to Cinedigm Digital Funding I, LLC. ("Phase 1 DC") and to Access Digital Cinema Phase 2 Corp. (“Phase 2 DC”) when movies distributed by the studio are displayed on screens utilizing our Systems installed in movie theatres. VPFs are earned and payable to Phase 1 DC based on a defined fee schedule until the end of the VPF term. One VPF is payable for every digital title initially displayed per System. The amount of VPF revenue is dependent on the number of movie titles released and displayed using the Systems in any given accounting period. VPF revenue is recognized in the period in which the digital title first plays on a System for general audience viewing in a digitally equipped movie theatre, as Phase 1 DC’s and Phase 2 DC’s performance obligations have been substantially met at that time.

Phase 2 DC’s agreements with distributors require the payment of VPFs, according to a defined fee schedule, for ten years from the date each system is installed; however, Phase 2 DC may no longer collect VPFs once “cost recoupment,” as defined in the contracts with movie studios and distributors, is achieved. Cost recoupment will occur once the cumulative VPFs and other

cash receipts collected by Phase 2 DC have equaled the total of all cash outflows, including the purchase price of all Systems, all financing costs, all “overhead and ongoing costs”, as defined, and including service fees, subject to maximum agreed upon amounts during the three-year rollout period and thereafter. Further, if cost recoupment occurs before the end of the eighth contract year, the studios will pay us a one-time “cost recoupment bonus.” The Company evaluated the constraining estimates related to the variable consideration, i.e. the one-time bonus and determined that it is not probable to conclude at this point in time, that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Under the terms of our standard cinema equipment licensing agreements, exhibitors will continue to have the right to use our Systems through the end of the term of the licensing agreement, after which time, they have the option to: (1) return the Systems to us; (2) renew their license agreement for successive one-year terms; or (3) purchase the Systems from us at fair market value. As permitted by these agreements, we have begun, and expect to continue, to pursue the sale of the Systems to such exhibitors. Such sales were as originally contemplated as the conclusion of the digital cinema deployment plan. Cinedigm completed the sale of 321 digital projection Systems for an aggregate sales price of approximately $3.7 million, and recognized revenue of $2.8 million, during the year ended March 31, 2019.

Revenues earned in connection with up front exhibitor contributions are deferred and recognized over the expected cost recoupment period.

Exhibitors who purchased and own Systems using their own financing in the Cinema Equipment Business paid us an upfront activation fee of approximately $2.0 thousand per screen (the “Exhibitor-Buyer Structure”). Upfront activation fees were recognized in the period in which these Systems were delivered and ready for content, as we had no further obligations to the customer after that time and collection was reasonably assured. In addition, we recognize activation fee revenue of between $1.0 thousand and $2.0 thousand on Phase 2 DC Systems and for Systems installed by CDF2 Holdings, a related party, (See Note 3 - *Other Interests*) upon installation and such fees are generally collected upfront upon installation. Our services segment manages and collects VPFs on behalf of exhibitors, for which it earns an administrative fee equal to 10% of the VPFs collected.

The Cinema Equipment Business earns an administrative fee of approximately 5% of VPFs collected and, in addition, earns an incentive service fee equal to 2.5% of the VPFs earned by Phase 1 DC. This administrative fee is related to the collection and remittance of the VPF’s and the performance obligation is satisfied at that time the related VPF fees are due which is at the time the movies are displayed on screens utilizing our Systems installed in movie theatres. The service fees are recognized as a point in time revenue when the corresponding VPF fees are due from the movie studios and distributors.

Content & Entertainment Business

CEG earns fees for the distribution of content in the home entertainment markets via several distribution channels, including digital, video on demand ("VOD"), and physical goods (e.g. DVD and Blu-ray Discs). Fees earned are typically based on the gross amounts billed to our customers less the amounts owed to the media studios or content producers under distribution agreements, and gross media sales of owned or licensed content. Depending upon the nature of the agreements with the platform and content providers, the fee rate that we earn varies. The Company’s performance obligations include the delivery of content for subscription on the digital platform, shipment of DVD and Blu-ray Discs, or make available at point-of-sale for transactional and VOD services. Revenue is recognized at the point in time when the performance obligation is satisfied which is when the content is available for subscription on the digital platform, at the time of shipment for physical goods, or point-of-sale for transactional and VOD services as the control over the content or the physical title is transferred to the customer. The Company considers the delivery of content through various distribution channels to be a single performance obligation. Revenue is recognized after deducting the reserves for product returns and other allowances, which are accounted for as variable consideration.

Reserves for product returns and other allowances are recorded based upon historical experience. If actual future returns and allowances differ from past experience, adjustments to our allowances may be required.

CEG also has contracts for the theatrical distribution of third party feature movies and alternative content. CEG’s distribution fee revenue and CEG's participation in box office receipts is recognized at the time a feature movie and alternative content are viewed. CEG has the right to receive or bill a portion of the theatrical distribution fee in advance of the exhibition date, and therefore such amount is recorded as a receivable at the time of execution, and all related distribution revenue is deferred until the third party feature movies’ or alternative content’s theatrical release date.

Principal Agent Considerations

We determine whether revenue should be reported on a gross or net basis based on each revenue stream. Key indicators that we use in evaluating gross versus net treatment include, but are not limited to, the following:

- which party is primarily responsible for fulfilling the promise to provide the specified good or service; and
- which party has discretion in establishing the price for the specified good or service.

Based on our evaluation of the above indicators, we concluded that there were no changes to our gross versus net reporting from previous GAAP.

Shipping and Handling

Shipping and handling costs are incurred to move physical goods (e.g. DVD and Blu-ray Discs) to customers. We recognize all shipping and handling costs as an expense in cost of goods sold because we are responsible for delivery of the product to our customers prior to transfer of control to the customer.

Contract Liabilities

We generally record a receivable related to revenue when we have an unconditional right to invoice and receive payment, and we record deferred revenue (contract liability) when cash payments are received or due in advance of our performance, even if amounts are refundable.

We maintain reserves for potential credit losses on accounts receivable. We review the composition of accounts receivable and analyze historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment patterns to evaluate the adequacy of these reserves. Reserves are recorded primarily on a specific identification basis.

Our CEG segment recognizes accounts receivable, net of an estimated allowance for product returns and customer chargebacks, at the time that it recognizes revenue from a sale. Reserves for product returns and other allowances are recorded based upon historical experience. If actual future returns and allowances differ from past experience, adjustments to our allowances may be required. Sales returns and allowances are reported as a reduction of revenues.

We record accounts receivable, long-term in connection with activation fees that we earn from Systems deployments that have extended payment terms. Such accounts receivable are discounted to their present value at prevailing market rates. The outstanding balances on these arrangements are insignificant and hence the impact of significant financing would be insignificant.

Deferred revenue pertaining to CEG includes amounts related to the sale of DVD’s with future release dates.

Deferred revenue relating to our Cinema Equipment Business pertains to revenues earned in connection with up front exhibitor contributions that are deferred and recognized over the expected cost recoupment period. It also includes unamortized balances in connection with activation fees due from the Systems deployments that have extended payment terms.

The opening balance and ending balance of deferred revenue, including current and non-current balances as of April 1, 2018 and March 31, 2019 were $5.7 million and $4.0 million , respectively. For the twelve months ended March 31, 2019, the additions to our deferred revenue balance were primarily due to cash payments received or due in advance of satisfying performance obligations, while the reductions to our deferred revenue balance were primarily due to the recognition of revenue upon fulfillment of our performance obligations, both of which were in the ordinary course of business.

During the year ended March 31, 2019, $4.1 million of revenue was recognized that was included in the deferred revenue balance at the beginning of the year. As of March 31, 2019, the aggregate amount of contract revenue allocated to unsatisfied performance obligations is $4.0 million . We expect to recognize approximately $1.7 million of this balance over the next 12 months, and the remainder thereafter.

Disaggregation of Revenue

The Company disaggregates revenue into different revenue categories for the Cinema Equipment and CEG Businesses. The Cinema Equipment Business revenue categories are: Phase I Deployment revenue, Phase II Deployment revenue and Services, and the CEG Business revenue categories are: Base Distribution Business and OTT Streaming and Digital.

The following tables present the Company's revenue categories for the twelve months ended March 31, 2019 (in thousands):

	Twelve Months Ended March 31, 2019
Cinema Equipment Business:	
Phase I Deployment	9,302
Phase II Deployment	8,651
Services	5,487
Digital System Sales	2,759
Total Cinema Equipment Business revenue	$ 26,199
Content & Entertainment Business:	
Base Distribution Business	$ 17,639
OTT Streaming and Digital	9,696
Total Content & Entertainment Business revenue	$ 27,335

DIRECT OPERATING COSTS

Direct operating costs consist of operating costs such as cost of goods sold, fulfillment expenses, shipping costs, property taxes and insurance on Systems, royalty expenses, impairments of advances, marketing and direct personnel costs.

ADVERTISING

Advertising costs are expensed as incurred and are included in selling, general and administrative expenses. For the fiscal years ended March 31, 2019 and 2018 , we recorded advertising costs of $23 thousand and $300 thousand , respectively.

STOCK-BASED COMPENSATION

Employee and director stock-based compensation expense related to our stock-based awards was as follows:

	For the Fiscal Year Ended March 31,	
(In thousands)	**2019**	**2018**
Direct operating	$ —	$ 60
Selling, general and administrative	1,576	2,219
Total stock-based compensation expense	$ 1,576	$ 2,279

During the year ended March 31, 2019 , the Company granted 2,277,830 stock appreciation rights ("SARs") to its executives of which 815,220 SARs were forfeited due to the terminations of two executives during the year ended March 31, 2019. The SARs were granted under the Company's 2017 Equity Incentive Plan (the "2017 Plan"). There was $566 thousand of stock-based compensation recorded for the year ended March 31, 2019 relating to these SARs.

Total SARs outstanding are as follows:

	Twelve Months Ended March 31, 2019
SARs Outstanding March 31, 2018	—
Issued	2,277,830
Forfeited	(815,220)
Total SARs Outstanding March 31, 2019	1,462,610

On July 26, 2018, the Company granted 1,941,402 units of performance stock units ("PSUs") to certain executives and employees under the 2017 Plan. The total PSUs represent the maximum number of units eligible to vest at the end of the performance period. The awards vest in two tranches: one at each of March 31, 2019 and March 31, 2020, based on the Company achieving certain financial targets at each period. The Company engaged an outside consulting firm to provide valuation services relating to estimating the fair value of these PSUs each reporting period. Based on their analysis as of March 31, 2019, using the Monte Carlo simulation technique, the estimated per unit fair value of the PSU's, was $0.83 . There was $744 thousand of stock-based compensation recorded for the year ended March 31, 2019, related to these PSUs. During the year ended March 31, 2019, 550,818 PSUs were forfeited due to employee terminations.

Total PSUs outstanding are as follows:

	Twelve Months Ended March 31, 2019
PSUs Outstanding March 31, 2018	—
Issued	1,941,402
Forfeited	(550,818)
Total PSUs Outstanding March 31, 2019	1,390,584

There were 225,862 and 174,942 shares of Class A common stock issued to the board of directors for years ended March 31, 2019 and 2018, respectively, constituting payment of the stock portion of board service retainer fee. There was $262 thousand of stock-based compensation recorded for the years ended March 31, 2019 and 2018, respectively, related to the board of directors.

There were 10,000 restricted shares awarded to an employee during the twelve months ended March 31, 2019, at a weighted average price of $1.52 , all of which were unvested and outstanding as of March 31, 2019. Stock-based compensation recorded in the year ended March 31, 2019 was $4 thousand related to these awards. No restricted shares were awarded during the fiscal year ended March 31, 2018.

INCOME TAXES

The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to operating loss and tax credit carryforwards and for differences between the carrying amounts of existing assets and liabilities and their respective tax bases.

Valuation allowances are established when management is unable to conclude that it is more likely than not that some portion, or all, of the deferred tax asset will ultimately be realized. The Company is primarily subject to income taxes in the United States.

The Company accounts for uncertain tax positions in accordance with an amendment to ASC Topic 740-10, *Income Taxes (Accounting for Uncertainty in Income Taxes)* , which clarified the accounting for uncertainty in tax positions. This amendment provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if the position is "more-likely-than-not" to be sustained were it to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. If an uncertain tax position meets the "more-likely-than-not" threshold, the largest amount of tax benefit that is more than 50% likely to be recognized upon ultimate settlement with the taxing authority is recorded. The Company has no uncertain tax positions.

NET LOSS PER SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS

Basic and diluted net loss per common share has been calculated as follows:

$$\text{Basic and diluted net loss per common share attributable to common shareholders} = \frac{\text{Net loss attributable to common shareholders}}{\text{Weighted average number of common stock shares outstanding during the period}}$$

Stock issued and treasury stock repurchased during the period are weighted for the portion of the period that they are outstanding. The shares repurchased in connection with the forward stock purchase transaction discussed in Note 6 - *Stockholders' Deficit* were considered repurchased for the purposes of calculating net loss per share and therefore the calculation of weighted average shares outstanding excluded 1,179,138 shares. During the year ended March 31, 2018, the Company settled these shares and included them in the calculation of weighted average shares outstanding for the years ended March 31, 2019 and 2018, respectively.

Shares issued and any shares that are reacquired during the period are weighted for the portion of the period that they are outstanding.

We incurred net losses for the fiscal years ended March 31, 2019 and 2018 and therefore, the impact of potentially dilutive common shares from outstanding stock options and warrants totaling 4,195,371 shares and 2,890,824 shares as of March 31, 2019 and 2018, respectively, and 3,333,333 shares from the convertible note issued October 9, 2018, were excluded from the computation of net loss per share for the fiscal years ended March 31, 2019 and 2018 , respectively, as their impact would have been anti-dilutive.

COMPREHENSIVE LOSS

As of March 31, 2019 and 2018 , comprehensive loss consisted of net loss and foreign currency translation adjustments.

RECENT ACCOUNTING PRONOUNCEMENTS

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842),* which supersedes the existing guidance for lease accounting, Leases (Topic 840). ASU 2016-02 requires lessees to recognize leases on their balance sheets, and leaves lessor accounting largely unchanged. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018 and interim periods within those fiscal years. Early application is permitted for all entities. The Company expects to adopt the provisions of this guidance on April 1, 2019 using an optional transition method with a cumulative effect adjustment to accumulated deficit and not restatement comparative periods presented.

We plan to adopt the standard in effective April 1, 2019. We will take advantage of the transition package of practical expedients permitted within the new standard, which among other things, allows us to carryforward the historical lease classification and elect the accounting policy election to utilize the short-term lease exemption, whereby leases with a team of 12 months or less will not follow the recognition and measurement requirements of the new standard.

We expect adoption of the new standard will result in the recording of right-of-use assets and lease liabilities of approximately $ 2.4 million and $ 2.5 million, respectively, as of April 1, 2019. We do not believe the new standard will have a notable impact on our liquidity. The standard will have no impact on our debt-covenant compliance under our current agreements.

In preparation for the adoption of the standard, the Company has implemented internal controls to enable the preparation of financial information and disclosures including the assessment of the impact of the standard.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (“ASU 2016-13”), which provides new guidance regarding the measurement and recognition of credit impairment for certain financial assets. Such guidance will impact how the Company determines its allowance for estimated uncollectible receivables and evaluates its available-for-sale investments for impairment. ASU 2016-13 is effective for the Company in the first quarter of 2020, with early adoption permitted in the first quarter of 2019. The Company is currently evaluating the effect that ASU 2016-13 will have on its consolidated financial statements and related disclosures.

In June 2018, the FASB issued ASU 2018-07, *Improvements to Nonemployee Share-Based Payment Accounting* to simplify the accounting for nonemployee share-based payment transactions by expanding the scope of ASC Topic 718, Compensation -

Stock Compensation, to include share-based payment transactions for acquiring goods and services from nonemployees. Under The new standard, most of the guidance on stock compensation payments to nonemployees would be aligned with the requirements for share-based payments granted to employees. This standard is effective for annual reporting periods beginning after December 15, 2018, including interim reporting periods within those annual reporting periods, with early adoption permitted. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

On August 29, 2018, the FASB issued ASU 2018-15, *Intangibles-Goodwill and Other-Internal-Use Software* (Subtopic 350-40) *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract.* This new guidance, which was early adopted by the Company, requires a customer in a cloud computing arrangement that is a service contract to follow the internal-use software guidance in ASC 350-40 to determine which implementation costs to capitalize as assets or expense as incurred. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

3. CONSOLIDATED BALANCE SHEET COMPONENTS

ACCOUNTS RECEIVABLE

Accounts receivable, net consisted of the following:

	As of March 31,	
(In thousands)	**2019**	**2018**
Trade receivables	$ 40,039	$ 41,188
Allowance for doubtful accounts	(4,529)	(3,060)
Total accounts receivable, net	$ 35,510	$ 38,128

PREPAID AND OTHER CURRENT ASSETS

Prepaid and other current assets consisted of the following:

	As of March 31,	
(In thousands)	**2019**	**2018**
Non-trade accounts receivable, net	$ 2,658	$ 4,459
Advances	4,051	4,485
Due from producers	687	318
Prepaid insurance	419	480
Other prepaid expenses	673	755
Total prepaid and other current assets	$ 8,488	$ 10,497

PROPERTY AND EQUIPMENT

Property and equipment, net consisted of the following:

	As of March 31,	
(In thousands)	**2019**	**2018**
Leasehold improvements	$ 268	$ 268
Computer equipment and software	5,454	3,859
Digital cinema projection systems	336,471	360,633
Machinery and equipment	490	553
Furniture and fixtures	146	151
	342,829	365,464
Less - accumulated depreciation and amortization	(328,782)	(343,981)
Total property and equipment, net	$ 14,047	$ 21,483

Total depreciation and amortization of property and equipment was $8.1 million and $12.4 million for the years ended March 31, 2019 and 2018 , respectively. Amortization of capital leases included in depreciation and amortization of property and equipment was $0 and $0.2 million for the years ended March 31, 2019 and 2018 , respectively.

INTANGIBLE ASSETS

Intangible assets, net consisted of the following:

	As of March 31, 2019			
(In thousands)	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Amount**	**Useful Life (years)**
Trademarks	$ 271	$ (252)	$ 19	3
Customer relationships and contracts	21,969	(13,366)	8,603	3-15
Theatre relationships	550	(481)	69	10-12
Content library	20,410	(19,415)	995	3-6
	$ 43,200	$ (33,514)	$ 9,686	

	As of March 31, 2018			
(In thousands)	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Amount**	**Useful Life (years)**
Trademarks	$ 121	$ (112)	$ 9	3
Customer relationships and contracts	21,969	(11,260)	10,709	3-15
Theatre relationships	550	(435)	115	10-12
Content library	19,767	(15,947)	3,820	5-6
Favorable lease agreement	1,193	(1,193)	—	4
	$ 43,600	$ (28,947)	$ 14,653	

Amortization expense related to intangible assets was $5.6 million for the years ended March 31, 2019 and 2018 , respectively.

Based on identified intangible assets that are subject to amortization as of March 31, 2019 , we expect future amortization expense for each period to be as follows:

(In thousands) Fiscal years ending March 31,	
2020	$ 2,777
2021	2,351
2022	1,281
2023	645
2024	645
Thereafter	1,987
Total	$ 9,686

ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following:

	As of March 31,	
(In thousands)	**2019**	**2018**
Accounts payable	$ 38,393	$ 35,032
Participations and royalties payable	22,611	25,788
Accrued compensation and benefits	3,098	2,276
Accrued taxes payable	322	352
Interest payable	96	130
Accrued restructuring and transition expenses	—	505
Accrued other expenses	4,187	5,142
Total accounts payable and accrued expenses	$ 68,707	$ 69,225

4. OTHER INTERESTS

Investment in CDF2 Holdings

We indirectly own 100% of the common equity of CDF2 Holdings, LLC ("CDF2 Holdings"), which was created for the purpose of capitalizing on the conversion of the exhibition industry from film to digital technology. CDF2 Holdings assists its customers in procuring the equipment necessary to convert their Systems to digital technology by providing financing, equipment, installation and related ongoing services.

CDF2 Holdings is a Variable Interest Entity ("VIE"), as defined in Accounting Standards Codification Topic 810 ("ASC 810"), "Consolidation." ASC 810 requires the consolidation of VIEs by an entity that has a controlling financial interest in the VIE which entity is thereby defined as the primary beneficiary of the VIE. To be a primary beneficiary, an entity must have the power to direct the activities of a VIE that most significantly impact the VIE's economic performance, among other factors. Although we indirectly, wholly own CDF2 Holdings, we, a third party that also has a variable interest in CDF2 Holdings, and an independent third party manager must mutually approve all business activities and transactions that significantly impact CDF2 Holdings' economic performance. We have therefore assessed our variable interests in CDF2 Holdings and determined that we are not the primary beneficiary of CDF2 Holdings. As a result, CDF2 Holdings' financial position and results of operations are not consolidated in our financial position and results of operations. In completing our assessment, we identified the activities that we consider most significant to the economic performance of CDF2 Holdings and determined that we do not have the power to direct those activities, and therefore we account for our investment in CDF2 Holdings under the equity method of accounting.

As of March 31, 2019 and 2018, our maximum exposure to loss, as it relates to the non-consolidated CDF2 Holdings entity, represents accounts receivable for service fees under a master service agreement with CDF2 Holdings. Such accounts receivables were $0.4 million as of March 31, 2019 and 2018, respectively, which are included within our accounts receivable, net on the accompanying consolidated balance sheets.

During the years ended March 31, 2019 and 2018, we received $1.1 million and $1.2 million , respectively, in aggregate revenues through digital cinema servicing fees from CDF2 Holdings, which are included in our revenues on the accompanying consolidated statements of operations.

Total Stockholder's Deficit of CDF2 Holdings at March 31, 2019 and 2018 was $28.9 million and $26.3 million , respectively. We have no obligation to fund the operating loss or the stockholder's deficit beyond our initial investment of $2.0 million and accordingly, our investment in CDF2 Holdings is carried at $0 as of March 31, 2019 and 2018.

Majority Interest in CONtv

We own 85% interest in CON TV, LLC, a worldwide digital network that creates original content, and sells and distributes on demand digital content on the Internet and other consumer digital distribution platforms, such as gaming consoles, set-top boxes, handsets, and tablets.

5. NOTES PAYABLE

Notes payable consisted of the following:

(In thousands)	As of March 31, 2019		As of March 31, 2018	
	Current Portion	Long Term Portion	Current Portion	Long Term Portion
Prospect Loan	$ —	$ 20,627	$ —	$ 39,710
KBC Facilities	—	—	154	—
P2 Vendor Note	—	—	336	—
P2 Exhibitor Notes	—	—	22	—
Total non-recourse notes payable	—	20,627	512	39,710
Less: Unamortized debt issuance costs and debt discounts	—	(1,495)	—	(2,140)
Total non-recourse notes payable, net of unamortized debt issuance costs and debt discounts	$ —	$ 19,132	$ 512	$ 37,570
Bison note payable	$ 10,000	$ —	$ —	$ 10,000
Second Secured Lien Notes	11,132	—	—	10,560
Credit Facility	18,623	—	—	8,227
Convertible Note	5,000	—	—	—
2013 Notes	—	—	5,000	—
Total recourse notes payable	44,755	—	5,000	28,787
Less: Unamortized debt issuance costs and debt discounts	(1,436)	—	(225)	(3,352)
Total recourse notes payable, net of unamortized debt issuance costs and debt discounts	$ 43,319	$ —	$ 4,775	$ 25,435
Total notes payable, net of unamortized debt issuance costs	$ 43,319	$ 19,132	$ 5,287	$ 63,005

Non-recourse debt is generally defined as debt whereby the lenders' sole recourse with respect to defaults, is limited to the value of the asset, which is collateral for the debt. Certain of our subsidiaries are liable with respect to, and their assets serve as collateral for, certain indebtedness for which our assets and the assets of our other subsidiaries that are not parties to the transaction are generally not liable. We have referred to this indebtedness as "non-recourse debt" because the recourse of the lenders is limited to the assets of specific subsidiaries. Such indebtedness includes the Prospect Loan, the KBC Facilities, the 2013 Term Loans, the P2 Vendor Note and the P2 Exhibitor Notes.

Prospect Loan

In February 2013, our DC Holdings, AccessDM and Phase 2 DC subsidiaries entered into a term loan agreement (the "Prospect Loan") with Prospect Capital Corporation ("Prospect"), pursuant to which DC Holdings borrowed $70.0 million . The Prospect Loan bears interest at LIBOR plus 9.0% (with a 2.0% LIBOR floor), which is payable in cash, and at an additional 2.50% to be accrued as an increase to the aggregate principal amount of the Prospect Loan until the 2013 Credit Agreement is paid off, at which time all accrued interest will be payable in cash.

Collections of DC Holdings accounts receivable are deposited into accounts designated to pay certain operating expenses, principal, interest, fees, costs and expenses relating to the Prospect Loan. On a quarterly basis, if funds remain after the payment of all such amounts, they are applied to prepay the Prospect Loan. Amounts designated for these purposes, included in cash and cash equivalents on the consolidated balance sheets, totaled $3.1 million and $3.0 million as of March 31, 2019 and 2018 , respectively. We also maintain a debt service fund under the Prospect Loan for future principal and interest payments. As of March 31, 2019 and 2018 , the debt service fund had a balance of $1.0 million , which is classified as restricted cash on the consolidated balance sheets.

The Prospect Loan matures on March 31, 2021 and may be accelerated upon a change in control (as defined in the agreement) or other events of default as set forth therein and would be subject to mandatory acceleration upon insolvency of DC Holdings. The Bison transaction did not accelerate the maturity date. We are permitted to pay the full outstanding balance of the Prospect Loan at any time after the second anniversary of the initial borrowing, subject to the following prepayment penalties:

- 5.0% of the principal amount prepaid between the second and third anniversaries of issuance;

- 4.0% of the principal amount prepaid between the third and fourth anniversaries of issuance;
- 3.0% of the principal amount prepaid between the fourth and fifth anniversaries of issuance;
- 2.0% of the principal amount prepaid between the fifth and sixth anniversary of issuance;
- 1.0% of the principal amount prepaid between the sixth and seventh anniversaries of issuance; and
- No penalty if the balance of the Prospect Loan, including accrued interest, is prepaid thereafter.

The Prospect Loan is secured by, among other things, a first priority pledge of the stock of CDF2 Holdings, our wholly owned unconsolidated subsidiary, the stock of AccessDM, owned by DC Holdings, and the stock of our Phase 2 DC subsidiary, and is also guaranteed by AccessDM and Phase 2 DC. We provide limited financial support to the Prospect Loan not to exceed $1.5 million per year in the event financial performance does not meet certain defined benchmarks.

The Prospect Loan contains customary representations, warranties, affirmative covenants, negative covenants and events of default.

The following table summarizes the activity related to the Prospect Loan:

	As of March 31,	
(In thousands)	**2019**	**2018**
Prospect Loan, at issuance	$ 70,000	$ 70,000
PIK Interest	4,778	4,778
Payments to date	(54,151)	(35,068)
Prospect Loan, net	$ 20,627	$ 39,710
Less current portion	—	—
Total long term portion	$ 20,627	$ 39,710

KBC Facilities

In December 2008, we began entering into multiple credit facilities to fund the purchase of Systems to be installed in movie theatres as part of our Phase II Deployment. There were no draws on the KBC Facilities during the fiscal year ended March 31, 2019 . The KBC Facilities were paid in full during the fiscal year ended March 31, 2019. The following table presents a summary of the KBC Facilities (dollar amounts in thousands):

				Outstanding Principal Balance	
Facility	**Credit Facility**	**Interest Rate**	**Maturity Date**	**March 31, 2019**	**March 31, 2018**
3	11,425	3.75%	March 2019	—	154

Bison Note Payable

As discussed in Note 1 - Nature of Operations and Liquidity, the Company entered into a Loan with Bison for $10.0 million and issued Warrants to purchase 1,400,000 shares of the Company's Class A Common Stock. See Note 6 - *Stockholders' Deficit* for further discussion of the warrants.

The loan was made in accordance with the Stock Purchase Agreement between the Company and Bison Entertainment Investment Limited, another affiliate of Bison, entered into on June 29, 2017 (the "Stock Purchase Agreement").

The 2018 Loan has a one (1) year term that may be extended by mutual agreement of Bison Global and the Company and bears interest at 5% per annum, payable quarterly in cash. On July 12, 2019, we entered into a Termination Agreement for the 2018 Loan and at the same time entered into a $10.0 million Convertible Promissory Note. See Note 12 - *Subsequent Events* .

Second Secured Lien Notes

On July 14, 2016, we entered into a Second Lien Loan Agreement (the "Loan Agreement"), under which we may borrow up to $15.0 million (the "Second Lien Loans"), subject to certain limitations imposed on us regarding the number of shares that we may issue in connection with the loans. During the year ended March 31, 2018, we borrowed an aggregate principal amount of $1.5 million under the Loan Agreement and had an outstanding balance of $11.1 million as of March 31, 2019 which includes $4.0 million borrowed from Ronald L. Chez, at that time a member of the Board of Directors. Mr. Chez resigned from the Board of Directors in April 2017, and became a strategic advisor to the Company. The Second Lien Loans mature on June 30, 2019 and bear interest at 12.75% , payable 7.5% in cash and 5.25% in cash or in kind at our option. In addition, under the terms of the Loan Agreement, we are required to issue 98,000 shares of our Class A common stock for every $1 million borrowed, subject to prorata adjustments. As of March 31, 2019, we have issued 906,450 shares of Class A common stock cumulatively under the Second Lien Loan Agreement. There were no shares issued in the year ended March 31, 2019. The Second Lien Loans may be prepaid without premium or penalty and contain customary covenants, representations and warranties. The obligations under the Second Lien Loans are guaranteed by certain of our existing and future subsidiaries. We have pledged substantially all of our assets, except those assets related to our digital cinema deployment business, to secure payment on the Second Lien Loans. On July 10, 2019, the Company paid down $3.0 million and entered into a consent agreement with the lenders to extend the maturity date. See Note 12 - *Subsequent Events.*

Credit Facility and Cinedigm Revolving Loans

On March 30, 2018, the Company entered into a Credit Facility with a retail bank for a maximum of $19.0 million in revolving loans outstanding at any one time with a maturity date of March 31, 2020, which may be extended for two successive one-year periods at the sole discretion of the lender, subject to certain conditions.

Interest under the Credit Facility is due monthly at a rate elected by the Company of either 0.5% plus Prime Rate or 3.25% above LIBOR Rate established by the lender.

On March 30, 2018, the Company borrowed $8.2 million under the Credit Facility. The proceeds from the Credit Facility were used to pay the $7.8 million outstanding principal and accrued interest under the prior credit agreement. During the year ended March 31, 2019, the Company borrowed an additional $10.4 million under the Credit Facility. As of March 31, 2019, there was $18.6 million outstanding and there was no additional availability under the Credit Facility based on the Company's borrowing base. On July 3, 2019, the Company entered into an amendment to the Credit Facility. See Note 12 - *Subsequent Events.*

Convertible Note

On October 9, 2018, the Company issued a Convertible Note for $5.0 million . All proceeds from the Convertible Note were used to pay the $5.0 million 2013 Notes described below. The $5.0 million in aggregate principal bears interest at 8% maturing on October 9, 2019 with two one year extensions at the Company's option. The Convertible Note is convertible into 3,333,333 shares of the Company's Class A common stock, based on initial conversion price of $1.50 per share.

The Convertible Note is convertible at the option of the Lender, or the Company, at any time prior to payment in full of the principal balance, and all accrued interest of this Convertible Note in whole, or in part, into fully paid and non-assessable shares of Company's Class A common stock at the conversion rate of $1.50 .

Upon conversion prior to maturity by the Lender, or the Company, we may elect to settle such conversion in shares of our Class A common stock, cash or a combination thereof. Upon the maturity date, the Company has the option to pay in Class A common shares convertible at the greater of the closing price of the Class A common stock or $1.10 . As a result of our cash conversion option, we separately accounted for the value of the embedded conversion option as a debt discount (with an offset to additional paid-in capital) of $270 thousand . The value of the embedded conversion option was determined based on the estimated fair value of the debt without the conversion feature, which was determined using market comparables to estimate the fair value similar non-convertible debt; the debt discount is being amortized to interest expense using the effective interest method over the one year term of the Convertible Note.

2013 Notes

In October 2013, we entered into securities purchase agreements with certain investors, pursuant to which we sold notes in the aggregate principal amount of $5.0 million (the "2013 Notes") and warrants to purchase an aggregate of 150,000 shares of Class A Common Stock (the "2013 Warrants") to such investors. We allocated a fair value of $1.6 million to the 2013 Warrants, which was recorded as a discount to the 2013 Notes and is being amortized through the maturity of the 2013 Notes as interest expense.

The principal amount outstanding under the 2013 Notes was due on October 21, 2018 and was paid in full by October 18, 2018, prior to their maturity date of October 21, 2018.

Ronald L. Chez, a former director and a current strategic advisor to the Company, was a holder of $3.0 million of the 2013 Notes as of October 18, 2018 and March 31, 2018.

Zvi Rhine, a member of our Board of Directors and a related party, was a holder of $0.5 million of the 2013 Notes as of October 18, 2018 and March 31, 2018.

The aggregate principal repayments on our notes payable, including anticipated PIK interest, are scheduled to be as follows (dollars in thousands):

Fiscal years ending March 31,		
2020	$	44,755
2021		20,627
2022		—
2023		—
2024		—
Thereafter		—
	$	65,382

6. STOCKHOLDERS' DEFICIT

COMMON STOCK

During the year ended March 31, 2019, we issued 730,458 shares of Class A common stock in connection with the payment of preferred stock dividends, as compensation to the board of directors, for an asset acquisition and awards to employees. See Note - 8 *Supplemental Cash Flow Disclosure* .

PREFERRED STOCK

Cumulative dividends in arrears on the preferred stock were $0.1 million as of March 31, 2019 and 2018 , respectively. In April 2019 , we paid preferred stock dividends in arrears in the form of 45,390 shares of our Class A common stock.

TREASURY STOCK

We have treasury stock, at a cost, consisting of 1,313,836 shares of Class A common stock at March 31, 2019 and 2018.

CINEDIGM'S EQUITY INCENTIVE PLAN

Stock Based Compensation Awards

Awards issued under our 2000 Equity Incentive Plan (the "2000 Plan") may be in any of the following forms (or a combination thereof) (i) stock option awards; (ii) stock appreciation rights; (iii) stock or restricted stock or restricted stock units; or (iv) performance awards. The 2000 Plan provides for the granting of incentive stock options ("ISOs") with exercise prices not less than the fair market value of our Class A Common Stock on the date of grant. ISOs granted to shareholders having more than 10% of the total combined voting power of the Company must have exercise prices of at least 110% of the fair market value of our Class A Common Stock on the date of grant. ISOs and non-statutory stock options granted under the 2000 Plan are subject to vesting provisions, and exercise is subject to the continuous service of the participant. The exercise prices and vesting periods (if any) for non-statutory options are set at the discretion of our compensation committee. On November 1, 2017, upon the consummation of the transactions pursuant to the Stock Purchase Agreement, as a result of which there was a change of control of the Company, all stock options (incentive and non-statutory) and shares of restricted stock were vested immediately and the options became fully exercisable.

In connection with the grants of stock options and shares of restricted stock under the 2000 Plan, we and the participants have executed stock option agreements and notices of restricted stock awards setting forth the terms of the grants. The 2000 Plan provided for the issuance of up to 2,380,000 shares of Class A Common Stock to employees, outside directors and consultants.

As of March 31, 2019 there were 300,315 stock options outstanding in the Plan with weighted average exercise price of $14.87 and a weighted average contract life of 3.79 years. As of March 31, 2018, there were 338,315 stock options outstanding in the Plan with weighted average exercise price of $15.57 and a weighted average contract life of 4.63 years .

In August 2017, the Company adopted the 2017 Plan. The 2017 Plan replaced the 2000 Plan, and applies to employees and directors of, and consultants to, the Company. The 2017 Plan provides for the issuance of up to 2,098,270 shares of Class A common stock, in the form of various awards, including stock options, stock appreciation rights, stock, restricted stock, restricted stock units, performance awards and cash awards. The Compensation Committee of the Company's Board of Directors (the "Board") is authorized to administer the 2017 Plan and make grants thereunder. The approval of the 2017 Plan does not affect awards already granted under the 2000 Plan.

An analysis of all options outstanding under the 2000 Plan as of March 31, 2019 is as follows:

Range of Prices	Options Outstanding	Weighted Average Remaining Life in Years	Weighted Average Exercise Price	Aggregate Intrinsic Value (In thousands)
$1.16 - $6.00	3,500	0.08	$ 6.00	$ —
$7.40 - $13.70	20,999	2.05	12.20	—
$14.00 - $24.40	268,316	4.01	14.77	—
$30.00 - $50.00	7,500	2.38	30.00	—
	300,315			$ —

An analysis of all options exercisable under the 2000 Plan as of March 31, 2019 is presented below:

Options Exercisable	Weighted Average Remaining Life in Years	Weighted Average Exercise Price	Aggregate Intrinsic Value (In thousands)
2,380,924	3.79	$ 14.87	$ —

OPTIONS GRANTED OUTSIDE CINEDIGM'S EQUITY INCENTIVE PLAN

In October 2013, we issued options outside of the 2000 Plan to 10 individuals that became employees as a result of a business combination. The employees received options to purchase an aggregate of 62,000 shares of our Class A common stock at an exercise price of $17.50 per share. The options are fully vested as of October 2017 and expire 10 years from the date of grant, if
unexercised.

In December 2010, we issued options to purchase 450,000 shares of Class A common stock outside of the 2000 Plan as part of our Chief Executive Officer's initial employment agreement with the Company. Such options have exercise prices per share between $15.00 and $50.00 , all of which were vested as of December 2013 and will expire in December 2020. As of March 31, 2019 , all such options remained outstanding.

WARRANTS

The following table presents information on outstanding warrants to purchase shares of our Class A common stock as of March 31, 2019 . All of the outstanding warrants are fully vested and exercisable.

Recipient	Amount outstanding	Expiration	Exercise price per share
Strategic management service provider	52,500	July 2021	$17.20 - $30.00
Warrants issued to Ronald L. Chez in connection with the Second Secured Lien Notes	206,768	July 2023	$1.34 - $1.57
Warrants issued in connection with Convertible Notes exchange transaction	207,679	December 2021	$1.54
5-year Warrant issued to Bison in connection with a term loan agreement	1,400,000	December 2022	$1.80

The warrants issued in connection with the Second Lien Loans (See Note 5 - *Notes Payable*) to Ronald L. Chez, at the time a member of our Board of Directors, contain a cashless exercise provision and customary anti-dilution rights.

7. COMMITMENTS AND CONTINGENCIES

LEASES

Our capital lease obligations primarily related to computer equipment.

We operate from leased properties under non-cancelable operating lease agreements, certain of which contain escalating lease clauses. As of March 31, 2019 , obligations under non-cancelable operating leases are due as follows (dollars in thousands):

Fiscal years ending March 31,	
2020	$ 1,109
2021 & 2022	1,816
2023 & 2024	—
Thereafter	—
	$ 2,925

Rent expense, included in selling, general and administrative expenses in our consolidated statements of operations, was $1.0 million and $1.1 million for the years ended March 31, 2019 and 2018 , respectively.

LEGAL PROCEEDINGS

We are subject to certain legal proceedings in the ordinary course of business. We do not expect any such items to have a significant impact on our financial position and results of operations and liquidity.

8. SUPPLEMENTAL CASH FLOW INFORMATION

	For the Fiscal Year Ended March 31,	
(In thousands)	2019	2018
Cash interest paid	$ 8,628	$ 13,888
Income taxes paid	273	402
Accrued dividends on preferred stock	89	89
Issuance of Class A common stock for payment of preferred stock dividends	356	356
Issuance of Class A common stock for settlement of an obligation to a vendor	—	867
Issuance of Second Lien Loans in connection with Convertible Notes exchange transaction	—	1,462
Issuance of warrants in connection with debt instruments	—	1,084
Issuance of Class A common stock in exchange for the CEO's Second Lien Loans	—	500
Issuance of Class A common stock for asset acquisition	106	—

9. SEGMENT INFORMATION

As discussed in Note 1 - *Nature of Operations and Liquidity* , we have retrospectively recast the operating segments for the prior period.

We operate in two reportable segments: Cinema Equipment Business and Content & Entertainment Business, or CEG. Our segments were determined based on the economic characteristics of our products and services, our internal organizational structure, the manner in which our operations are managed and the criteria used by our CODM to evaluate performance, which generally the segment's operating income (loss) before depreciation and amortization.

Operations of:	**Products and services provided:**
Cinema Equipment Business	Financing vehicles and administrators for 3,480 Systems installed nationwide in our first deployment phase ("Phase I Deployment") to theatrical exhibitors and for 5,853 Systems installed domestically and internationally in our second deployment phase ("Phase II Deployment"). We retain ownership of the Systems and the residual cash flows related to the Systems in Phase I Deployment after the repayment of all non-recourse debt at the expiration of exhibitor master license agreements. For certain Phase II Deployment Systems, we do not retain ownership of the residual cash flows and digital cinema equipment in Phase II Deployment after the completion of cost recoupment and at the expiration of the exhibitor master license agreements. The Cinema Equipment Business also provides monitoring, collection, verification and management services to this segment, as well as to exhibitors who purchase their own equipment, and also collects and disburses VPFs from motion picture studios, distributors and ACFs from alternative content providers, movie exhibitors and theatrical exhibitors (collectively, "Services").
Content & Entertainment Business	Leading distributor of independent content, and collaborates with producers and other content owners to market, source, curate and distribute independent content to targeted and profitable audiences in theatres and homes, and via mobile and emerging platforms.

One (1) customer represented more than 10% of our consolidated revenues for fiscal year ended March 31, 2019 .

The following tables present certain financial information related to our reportable segments:

	As of March 31, 2019				
(In thousands)	**Intangible Assets, net**	**Goodwill**	**Total Assets**	**Notes Payable, Non-Recourse**	**Notes Payable**
Cinema Equipment Business	$ 69	$ —	$ 42,958	$ 19,132	$ —
Content & Entertainment	9,607	8,701	51,531	—	—
Corporate	10	—	4,350	—	43,319
Total	$ 9,686	$ 8,701	$ 98,839	$ 19,132	$ 43,319

	As of March 31, 2018				
(In thousands)	**Intangible Assets, net**	**Goodwill**	**Total Assets**	**Notes Payable, Non-Recourse**	**Notes Payable**
Cinema Equipment Business	$ 115	$ —	$ 53,427	$ 38,082	$ —
Content & Entertainment	14,529	8,701	58,313	—	—
Corporate	9	—	9,442	—	30,210
Total	$ 14,653	$ 8,701	$ 121,182	$ 38,082	$ 30,210

	Statements of Operations For the Fiscal Year Ended March 31, 2019			
	Cinema Equipment Business	Content & Entertainment	Corporate	Consolidated
Revenues	$ 26,199	$ 27,335	$ —	$ 53,534
Direct operating (exclusive of depreciation and amortization shown below)	1,401	14,719	—	16,120
Selling, general and administrative	1,960	15,322	10,379	27,661
Allocation of corporate overhead	1,549	4,038	(5,587)	—
Provision for doubtful accounts	1,760	(140)	—	1,620
Depreciation and amortization of property and equipment	7,599	343	182	8,124
Amortization of intangible assets	46	5,576	5	5,627
Total operating expenses	14,315	39,858	4,979	59,152
Income (loss) from operations	$ 11,884	$ (12,523)	$ (4,979)	$ (5,618)

The following employee and director stock-based compensation expense related to our stock-based awards is included in the above amounts as follows:

	Cinema Equipment Business	Content & Entertainment	Corporate	Consolidated
Direct operating	$ —	$ —	$ —	$ —
Selling, general and administrative	27	328	1,221	1,576
Total stock-based compensation	$ 27	$ 328	$ 1,221	$ 1,576

	Statements of Operations For the Fiscal Year Ended March 31, 2018			
	Cinema Equipment Business	Content & Entertainment	Corporate	Consolidated
Revenues	$ 37,577	$ 30,106	$ —	$ 67,683
Direct operating (exclusive of depreciation and amortization shown below)	1,526	17,997	—	19,523
Selling, general and administrative	1,755	16,715	9,984	28,454
Allocation of corporate overhead	1,604	3,409	(5,013)	—
(Benefit) provision for doubtful accounts	991	—	—	991
Depreciation and amortization of property and equipment	11,690	443	279	12,412
Amortization of intangible assets	46	5,528	6	5,580
Total operating expenses	17,612	44,092	5,256	66,960
Income (loss) from operations	$ 19,965	$ (13,986)	$ (5,256)	$ 723

The following employee and director stock-based compensation expense related to our stock-based awards is included in the above amounts as follows:

	Cinema Equipment Business	Content & Entertainment	Corporate	Consolidated
Direct operating	$ 36	$ 24	$ —	$ 60
Selling, general and administrative	14	817	1,388	2,219
Total stock-based compensation	$ 50	$ 841	$ 1,388	$ 2,279

The following table presents the results of our operating segments for the three months ended March 31, 2019 :

	Statements of Operations For the Three Months Ended March 31, 2019 (Unaudited)			
	Cinema Equipment Business	Content & Entertainment	Corporate	Consolidated
Revenues	$ 6,273	$ 5,796	$ —	$ 12,069
Direct operating (exclusive of depreciation and amortization shown below)	174	3,659	—	3,833
Selling, general and administrative	514	4,103	3,589	8,206
Allocation of corporate overhead	382	996	(1,378)	—
Provision for doubtful accounts	376	(1)	—	375
Depreciation and amortization of property and equipment	1,755	87	43	1,885
Amortization of intangible assets	12	1,427	1	1,440
Total operating expenses	3,213	10,271	2,255	15,739
Income (loss) from operations	$ 3,060	$ (4,475)	$ (2,255)	$ (3,670)

The following employee and director stock-based compensation expense related to our stock-based awards is included in the above amounts as follows:

	Cinema Equipment Business	Content & Entertainment	Corporate	Consolidated
Direct operating	$ —	$ —	$ —	$ —
Selling, general and administrative	19	167	627	813
Total stock-based compensation	$ 19	$ 167	$ 627	$ 813

11. INCOME TAXES

The following table presents the components of income tax expense:

	For the Fiscal Year Ended March 31,	
(In thousands)	**2019**	**2018**
Federal:		
Current	$ —	$ (4)
Deferred	—	—
Total federal	—	(4)
State:		
Current	295	405
Deferred	—	—
Total state	295	405
Income tax expense	$ 295	$ 401

Net deferred taxes consisted of the following:

	As of March 31,	
(In thousands)	**2019**	**2018**
Deferred tax assets:		
Net operating loss carryforwards	$ 6,877	$ 6,680
Stock-based compensation	2,468	1,993
Intangibles	6,293	5,918
Accrued liabilities	1,345	1,332
Allowance for doubtful accounts	1,279	852
Capital loss carryforwards	2,247	3,009
Interest expense	1,368	—
Other	430	648
Total deferred tax assets before valuation allowance	22,307	20,432
Less: Valuation allowance	(19,084)	(15,880)
Total deferred tax assets after valuation allowance	$ 3,223	$ 4,552
Deferred tax liabilities:		
Depreciation and amortization	$ (3,223)	$ (4,552)
Total deferred tax liabilities	(3,223)	(4,552)
Net deferred tax	$ —	$ —

We have provided a valuation allowance equal to our net deferred tax assets for the years ended March 31, 2019 and 2018. We are required to recognize all or a portion of our deferred tax assets if we believe that it is more likely than not that such assets will be realized, given the weight of all available evidence. We assess the realizability of the deferred tax assets at each interim and annual balance sheet date. In assessing the need for a valuation allowance, we considered both positive and negative evidence, including recent financial performance, projections of future taxable income and scheduled reversals of deferred tax liabilities. We increased the valuation allowance by $3.2 million during the fiscal year ended March 31, 2019 due to increases in the deferred tax assets. We decreased the valuation allowance by $90.8 million during the fiscal year ended March 31, 2018, primarily due to write-downs of the deferred tax assets due to a Section 382 ownership change limitation on the net operating losses, a Section 108 tax attribute reduction, and other decreases in the deferred tax assets related to changes in the tax rates due to the Act. We will continue to assess the realizability of the deferred tax assets at each interim and annual balance sheet date based upon actual and forecasted operating results.

At March 31, 2019, we had federal and state net operating loss carryforwards of approximately $25.3 million available in the United States of America ("US") and approximately $0.7 million in Australia to reduce future taxable income. The U.S. federal and state net operating loss carryforwards of approximately $25.3 million will begin to expire in 2020. The Australian net operating loss carryforward of $0.7 million does not expire.

At March 31, 2019, we had federal and state capital loss carryforwards of approximately $8.7 million available to reduce future capital gains. The capital loss carryforwards were generated during the year ended March 31, 2015 and expire after the year ending March 31, 2020.

Under the provisions of the Internal Revenue Code, certain substantial changes in our ownership may result in a limitation on the amount of net operating losses that may be utilized in future years. During the year ended March 31, 2018, approximately $233.5 million of our net operating losses became subject to limitation under Internal Revenue Code Section 382 in connection with the consummation in November 2017 of the transactions under the Stock Purchase Agreement with Bison. Approximately $209.0 million of our net operating losses will not be able to be utilized because of the ownership change. As a result of the ownership change, we reduced our gross deferred tax assets and valuation allowance by $81.9 million as of March 31, 2018, which had no impact on our consolidated financial statements for the year ended March 31, 2018. Future significant ownership changes could cause a portion or all of these net operating losses to expire before utilization.

During the year ended March 31, 2018, we realized approximately $26.2 million of cancellation of indebtedness income for tax purposes, which was excluded from taxable income under the provisions of Internal Revenue Code Section 108. In connection with the exclusion, we reduced our net operating losses by approximately $26.2 million . This gave rise to a reduction of approximately $10.2 million of our gross deferred tax assets and valuation allowance as of March 31, 2018, which had no impact on our consolidated financial statements for the year ended March 31, 2018.

The Tax Cuts and Jobs Act (the "Act") was enacted in December 2017. Among other things, the Act reduced the U.S. federal corporate tax rate from 34 percent to 21 percent as of January 1, 2018 and eliminated the alternative minimum tax ("AMT") for corporations. Since the deferred tax assets are expected to reverse in a future year, it has been tax effected using the 21% federal corporate tax rate. As a result of the reduction in the corporate tax rate, we decreased our gross deferred tax assets by approximately $7.2 million which was offset by a corresponding decrease to the valuation allowance as of March 31, 2018, which had no impact on our consolidated financial statements for the year ended March 31, 2018. Additionally, the Company has an investment in a foreign subsidiary for which the cumulative earnings and profits of this entity was estimated to be negative. Accordingly, the Company did not record a provisional amount for the transition tax enacted under the Act.

The differences between the United States statutory federal tax rate and our effective tax rate are as follows:

	For the fiscal years ended March 31,	
	2019	**2018**
Provision at the U.S. statutory federal tax rate	21.0 %	30.8 %
State income taxes, net of federal benefit	2.1 %	9.0 %
Change in valuation allowance	(20.1)%	501.8 %
Non-deductible expenses	(5.7)%	(2.7)%
Net operating loss decrease under IRC 382	—	(511.3)%
Effect of tax reform	—	(40.2)%
Losses from non-consolidated entities	0.8 %	10.0 %
Other	—	0.4 %
Income tax expense	(1.9)%	(2.2)%

We file income tax returns in the U.S. federal jurisdiction, various states and Australia. For federal income tax purposes, our fiscal 2016 through 2019 tax years remain open for examination by the tax authorities under the normal three-year statute of limitations. For state tax purposes, our fiscal 2015 through 2019 tax years generally remain open for examination by most of the tax authorities under a four-year statute of limitations. For Australian tax purposes, fiscal tax years ended March 31, 2016 through 2019 are open for examination.

12. SUBSEQUENT EVENTS

Stock Purchase Agreement

On July 9, 2019, the Company entered into the Stock Purchase Agreement with BEMG, an affiliate of Bison Capital Holding Company Limited, which, through an affiliate, is the majority holder of our Class A common stock, pursuant to which the Company agreed to sell to BEMG a total of 2,000,000 shares of SPA Shares, for an aggregate purchase price in cash of $3.0 million priced at $1.50 per share. The sale of the SPA Shares was consummated on July 9, 2019. The SPA Shares are subject to certain transfer restrictions. The proceeds of the sale of the SPA Shares sold were used for working capital, including the repayment of Second Lien Loans (as defined in Note 5 - *Notes Payable*). In addition, the Company has agreed to enter into a registration rights agreement for the resale of the SPA Shares.

Amendment to Credit Facility

On July 3, 2019, the Company entered into the EWB Amendment to the Loan, Guaranty and Security Agreement, dated as of March 30, 2018, by and between the Company, East West Bank and the Guarantors named therein. The EWB Amendment reduced the size of the facility to $18.0 million , required certain prepayments and daily cash sweeps from collections of receivables to be made, changed in certain respects how the borrowing base is calculated, extended the maturity date to June 30, 2020 and excluded Future Today Inc and any of its future subsidiaries (in connection with the previously announced agreement to acquire Future Today, Inc.) from requirements to become Guarantors. In connection with the EWB Amendment, three of our subsidiaries became Guarantors under the EWB Credit Agreement.

$10.0 Million Loan converted into Convertible Note

On July 12, 2019, the Company and Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1, another affiliate of Bison Global, entered into a Termination Agreement with respect to the 2018 Loan between them, pursuant to which the Company had borrowed from Bison Global $10.0 million . Pursuant to the Termination Agreement, the accrued and unpaid interest on such outstanding principal amount will be paid in cash to Bison Global no later than September 30, 2019. Contemporaneously with the Termination Agreement, the Company entered into a Bison Convertible Note with Bison Global for $10.0 million .

The Bison Convertible Note has a term ending on March 4, 2020, and bears interest at 5% per annum. The principal is payable upon maturity, in cash or in shares of Common Stock, or a combination of cash and Common Stock, at the Company’s option. The Bison Convertible Note is unsecured and may be prepaid without premium or penalty, and contains customary covenants, representations and warranties. The proceeds of the Bison Convertible Note were used to repay the 2018 Loan.

The Bison Convertible Note, offset by the concurrent payoff and termination of the 2018 Loan, did not result in any increase to the Company’s outstanding debt balance.

Extension of Second Lien Loans

On June 28, 2019, the Company entered into a consent agreement with lenders of the Second Lien Loans to an extension of the Second Lien Loans pursuant to which (i) the Company paid half of the outstanding principal amount plus accrued interest to date, and (ii) the maturity date of the remaining outstanding principal amount of the Second Lien Loans was extended to September 30, 2019. On July 10, 2019, the Company paid $3.0 million of the outstanding Second Lien Loans and will obtain additional capital from or through Bison Capital Holding Limited or an affiliate thereof ("Bison") for final payment of the remaining outstanding balances of the Second Lien Loans. See Note 5 - *Notes Payable.*

PART II. OTHER INFORMATION

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Definition and Limitations of Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) are designed to reasonably ensure that information required to be disclosed in our reports filed under the Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and (ii) accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures.

Evaluation of Disclosure Controls and Procedures

The management of the Company, under the supervision and with the participation of our Chief Executive Officer and Chief Operating Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of March 31, 2019 . Based on such evaluation, our principal executive officer and principal operating officer have concluded that, as of the end of such period, the Company’s disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act and are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including the Company’s principal executive officer and principal financial officer, 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 Rule 13a-15(f) under the Exchange Act). Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the criteria set forth in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, management has concluded that our internal control over financial reporting was effective as of March 31, 2019 .

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the criteria set forth in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, management has concluded that our internal control over financial reporting was effective as of March 31, 2019 .

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company’s internal control over financial reporting during the fiscal quarter ended March 31, 2019 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors

Christopher J. McGurk, 62 , has been the Company's Chief Executive Officer and Chairman of the Board since January 2011. Mr. McGurk was the founder and Chief Executive Officer of Overture Films from 2006 until 2010 and also the Chief Executive Officer of Anchor Bay Entertainment, which distributed Overture Films' products to the home entertainment industry. From 1999 to 2005, Mr. McGurk was Vice Chairman of the Board and Chief Operating Officer of Metro-Goldwyn-Mayer Inc. ("MGM"), acting as the company's lead operating executive until MGM was sold for approximately $5 billion to a consortium of investors. Mr. McGurk joined MGM from Universal Pictures, where he served in various executive capacities, including President and Chief Operating Officer, from 1996 to 1999. From 1988 to 1996, Mr. McGurk served in several senior executive roles at The Walt Disney Studios, including Studios Chief Financial Officer and President of The Walt Disney Motion Picture Group. Mr. McGurk has previously served on the boards of BRE Properties, Inc., DivX Inc., DIC Entertainment, Pricegrabber.com, LLC and MGM Studios, Inc. Mr. McGurk's extensive career in various sectors of the theatrical production and exhibition industry will provide the Company with the benefits of his knowledge of and experience in this field, as well as his wide-spread contacts within the industry.

Peter C. Brown, 60 , has been a member of the Board since September 2010. He is Chairman of Grassmere Partners, LLC, a private investment firm, which he founded in 2009. Prior to founding Grassmere Partners, Mr. Brown served as Chairman of the Board, Chief Executive Officer and President of AMC Entertainment Inc. ("AMC"), one of the world's leading theatrical exhibition companies, from July 1999 until his retirement in February 2009. He joined AMC in 1990 and served as AMC's President from January 1997 to July 1999 and Senior Vice President and Chief Financial Officer from 1991 to 1997. Mr. Brown currently serves on the board of EPR Properties (NYSE: EPR), a specialty real estate investment trust (REIT). Mr. Brown also serves as a director of CenturyLink (NYSE: CTL), a global leader in communications, hosting, cloud and IT services. Past additional public company boards include: National CineMedia, Inc., Midway Games, Inc., LabOne, Inc., and Protection One, Inc. Mr. Brown's extensive experience in the theatrical exhibition and entertainment industry and other public company boards provides the Board with valuable knowledge and insight relevant to the Company's business.

Peng Jin, 43 , has been a member of the Board since November 2017. Mr. Jin has been a managing partner of Bison Capital Holding Company Limited ("Bison") since August 2014, and a director since March 2017. From 2008 to 2014, Mr. Jin served as a partner of Keystone Ventures. Mr. Jin is a designee of Bison in connection with the Stock Purchase Agreement (the "Bison Agreement") dated as of June 29, 2017, by and between the Company and Bison Entertainment Investment Limited, a wholly owned subsidiary of Bison. Mr. Jin brings to the Board investment experience, including in the media industry, in the United States and in China.

Patrick W. O'Brien , **72,** has been a member of the Board since July 2015. He currently serves as the Managing Director & Principal of Granville Wolcott Advisors, a company he formed in 2009 which provides business consulting, due diligence and asset management services for public and private clients. From 2005 to 2009, Mr. O'Brien was a Vice President - Asset Management for Bental-Kennedy Associates Real Estate Counsel where he represented pension fund ownership interests in hotel real estate investments nationwide. Mr. O'Brien also serves on the board of directors of LVI Liquidation Corp., Creative Realities, Inc., and Fit Boom Bah. During the past five years, Mr. O'Brien served on the boards of ICPW Liquidation Trust and Merriman Holdings, Inc. Mr. O'Brien joined the Board as a designee of Ronald L.Chez pursuant to the Settlement Agreement dated as of July 30, 2015 among the Company and certain stockholders party thereto. He brings to the Board his seasoned executive and business expertise in private and public companies with an emphasis on financial analysis and business development.

Zvi M. Rhine, 39 , has been a member of the Board since July 2015. He is the principal and managing member of Sabra Capital Partners which he founded in 2012, a multi-strategy hedge fund that focuses on event-driven, value and special situations investments primarily in North America. He was previously Vice President at The Hilco Organization from 2009 to 2012 and has also served in various roles at Boone Capital, Banc of America Securities and Piper Jaffray. Mr. Rhine also serves as the CFO and a director of Global Healthcare Real Estate Investment Trust. Mr. Rhine brings to the Board extensive experience in the securities industry.

Peixin Xu, 47, has been a member of the Board since November 2017. Mr. Xu founded Bison, an investment company with a focus on the media and entertainment, healthcare and financial service industries in 2014 and has been serving as a partner and director since then. From 2013 to the present, Mr. Xu has been serving on the board of directors of Airmedia Group Inc. (Nasdaq: AMCN). Mr. Xu is a designee of Bison in connection with the Bison Agreement. Mr. Xu brings to the Board investment experience, including in the media industry, in the United States and in China.

Executive Officers

The Company's executive officers are Christopher J. McGurk, Chief Executive Officer and Chairman of the Board, Gary S. Loffredo, Chief Operating Officer, President of Digital Cinema, General Counsel, and Secretary, and Erick Opeka, Executive Vice President and President of Cinedigm Digital Networks. Biographical information for Mr. McGurk is included above.

Gary S. Loffredo, 54, has been the Company's President of Digital Cinema, General Counsel and Secretary since October 2011. He had previously served as Senior Vice President - Business Affairs, General Counsel and Secretary since 2000, as Interim Co-Chief Executive Officer from June 2010 through December 2010, and was a member of the Board from September 2000 - October 2015. From March 1999 to August 2000, he had been Vice President, General Counsel and Secretary of Cablevision Cinemas d/b/a Clearview Cinemas. At Cablevision Cinemas, Mr. Loffredo was responsible for all aspects of the legal function, including negotiating and drafting commercial agreements, with emphases on real estate, construction and lease contracts. He was also significantly involved in the business evaluation of Cablevision Cinemas' transactional work, including site selection and analysis, negotiation and new theater construction oversight. Mr. Loffredo was an attorney at the law firm of Kelley Drye & Warren LLP from September 1992 to February 1999. Having been with the Company since its inception and with Clearview Cinemas prior thereto, Mr. Loffredo has over a decade of experience in the cinema exhibition industry, both on the movie theatre and studio sides, as well as legal training and general business experience, which skills and understanding are beneficial to the Company. Effective February 14, 2019, the Company appointed Mr. Loffredo as Chief Operating Officer of the Company. Mr. Loffredo retained his roles as General Counsel and President of Digital Cinema, which he has held since 2000 and 2011, respectively. The Company's finance team now reports directly to Mr. Loffredo.

Erick Opeka, 45, joined the Company during 2014 and as EVP of Digital Networks oversaw the distribution of Cinedigm's OTT networks online, as well as on mobile devices, gaming consoles, and connected TVs. Mr. Opeka was integral in the development and launch of the Company's flagship digital first networks, further expanding the Company's growth through landmark partnerships with leading platforms such as Sling TV, XUMO, and Twitch, among others. Prior to joining Cinedigm, Mr. Opeka served as Senior Vice President and head of New Video Digital, which he grew into the largest global aggregator of independent digital content for more than 850 content partners including A&E Networks, The Jim Henson Company, Berman Braun, and others. He was named President of Digital Networks on October 15, 2018.

Delinquent Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Company's directors, executive officers and persons who beneficially own more than 10% of its Class A common stock to file reports of ownership and changes in ownership with the Commission and to furnish the Company with copies of all such reports they file. Based on the Company's review of the copies of such forms received by it, or written representations from certain reporting persons, the Company believes that none of its directors, executive officers or persons who beneficially own more than 10% of the Company's Class A common stock failed to comply with Section 16(a) reporting requirements in the Company's Last Fiscal Year, except for Mr. Xu and Mr. Jin, each of whom had one late Form 4 filing reporting one transaction.

Code of Business Conduct and Ethics

We have adopted a code of ethics applicable to all members of the Board, executive officers and employees. Such code of ethics is available on our Internet website, www.cinedigm.com. We intend to disclose any amendment to, or waiver of, a provision of our code of ethics by filing a Form 8-K with the SEC.

Shareholder Communications

The Board currently does not provide a formal process for stockholders to send communications to the Board. In the opinion of the Board, it is appropriate for the Company not to have such a process in place because the Board believes there is currently not a need for a formal policy due to, among other things, the limited number of stockholders of the Company. While the Board will, from time to time, review the need for a formal policy, at the present time, stockholders who wish to contact the Board may do so by submitting any communications to the Company's Secretary, Mr. Loffredo, 45 West 36th Street, 7th Floor, New York, NY 10018 , with an instruction to forward the communication to a particular director or the Board as a whole. Mr. Loffredo will receive the correspondence and forward it to any individual director or directors to whom the communication is directed.

MATTERS RELATING TO OUR GOVERNANCE

Board of Directors

The Board oversees the Company's risk management including understanding the risks the Company faces and what steps management is taking to manage those risks, as well as understanding what level of risk is appropriate for the Company. The Board's role in the Company's risk oversight process includes receiving regular updates from members of senior management on areas of material risk to the Company, including operational, financial, legal and regulatory, human resources, employment, and strategic risks.

The Company's leadership structure currently consists of the combined role of Chairman of the Board and Chief Executive Officer and a separate Lead Independent Director. Mr. O'Brien serves as our Lead Independent Director. The Lead Independent Director's responsibilities include presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors, serving as a liaison between the Chairman and the independent directors, reviewing information sent to the Board, consulting with the Nominating Committee with regard to the membership and performance evaluations of the Board and Board committee members, calling meetings of and setting agendas for the independent directors, and serving as liaison for communications with stockholders.

The Board intends to meet at least quarterly and the independent directors serving on the Board intend to meet in executive session (i.e., without the presence of any non-independent directors and management) immediately following regularly scheduled Board meetings. During the fiscal year ended March 31, 2019 (the "Last Fiscal Year"), the Board held five (5) meetings, and the Board acted six (6) times by unanimous written consent in lieu of holding a meeting. Each current member of the Board, who was then serving, attended at least 75% of the total number of meetings of the Board, except for Mr. Xu, and of the committees of the Board on which they served in the Last Fiscal Year. No individual may be nominated for election to the Board after his or her 73rd birthday. Messrs. Brown, O'Brien and Rhine are considered "independent" under the rules of the SEC and Nasdaq.

The Company does not currently have a policy in place regarding attendance by Board members at the Company's annual meetings.

The Board has three standing committees, consisting of an Audit Committee, a Compensation Committee and a Nominating Committee.

Audit Committee

The Audit Committee consists of Messrs. Brown, O'Brien and Rhine. Mr. Rhine is the Chairman of the Audit Committee. The Audit Committee held three (3) meetings in the Last Fiscal Year. The Audit Committee has met with the Company's management and the Company's independent registered public accounting firm to review and help ensure the adequacy of its internal controls and to review the results and scope of the auditors' engagement and other financial reporting and control matters. Mr. Rhine is financially literate, and Mr. Rhine is financially sophisticated, as those terms are defined under the rules of Nasdaq. Mr. Rhine is also a financial expert, as such term is defined under the Sarbanes-Oxley Act of 2002. Messrs. Brown, Rhine, O'Connor and Rhine are considered "independent" under the rules of the SEC and Nasdaq.

The Audit Committee has adopted a formal written charter (the "Audit Charter"). The Audit Committee is responsible for ensuring that the Company has adequate internal controls and is required to meet with the Company's auditors to review these internal controls and to discuss other financial reporting matters. The Audit Committee is also responsible for the appointment, compensation and oversight of the auditors. Additionally, the Audit Committee is responsible for the review and oversight of all related party transactions and other potential conflict of interest situations between the Company and its officers, directors, employees and principal stockholders. The Audit Charter is available on the Company's Internet website at www.cinedigm.com.

Compensation Committee

The Compensation Committee consists of Messrs. Brown, O'Brien and Rhine. Mr. O'Brien is the Chairman of the Compensation Committee. The Compensation Committee met one (1) time, and acted one (1) time by unanimous written consent in lieu of holding a meeting, during the Last Fiscal Year. The Compensation Committee approves the compensation package of the Company's Chief Executive Officer and, based on recommendations by the Company's Chief Executive Officer, approves the levels of compensation and benefits payable to the Company's other executive officers, reviews general policy matters relating to employee compensation and benefits and recommends to the entire Board, for its approval, stock option and other equity-based award grants to its executive officers, employees and consultants and discretionary bonuses to its executive officers and employees. The Compensation Committee has the authority to appoint and delegate to a sub-committee the authority to make grants and administer bonus and compensation plans and programs. Messrs. Brown, O'Brien and Rhine are considered "independent" under the rules of the SEC and the Nasdaq.

The Compensation Committee has adopted a formal written charter (the "Compensation Charter"). The Compensation Charter sets forth the duties, authorities and responsibilities of the Compensation Committee. The Compensation Charter is available on the Company's Internet website at www.cinedigm.com.

The Compensation Committee, when determining executive compensation (including under the executive compensation program, as discussed below under the heading Compensation Discussion and Analysis), evaluates the potential risks associated with the compensation policies and practices. The Compensation Committee believes that the Company's compensation programs are designed with an appropriate balance of risk and reward in relation to the Company's overall compensation philosophy and do not encourage excessive or unnecessary risk-taking behavior. In general, the Company compensates its executives in a combination of cash and stock options, although the Company has also granted restricted stock and restricted stock units. The stock options contain vesting provisions, typically of proportional annual vesting over a three- or four-year period which encourages the executives, on a long-term basis, to strive to enhance the value of such compensation as measured by the trading price of the Class A common stock. The Compensation Committee does not believe that this type of compensation encourages excessive or unnecessary risk-taking behavior. As a result, we do not believe that risks relating to our compensation policies and practices for our employees are reasonably likely to have a material adverse effect on the Company. The Company intends to recapture compensation as required under the Sarbanes-Oxley Act. However, there have been no instances where it needed to recapture any compensation.

During the Last Fiscal Year, the Compensation Committee engaged Aon, a compensation consulting firm. The consultant met with the Compensation Committee multiple times during the Last Fiscal Year and provided guidance for cash and equity bonus compensation to executive officers and directors, which the Compensation Committee considered in reaching its determinations of such compensation. In addition, the consultant was available to respond to specific inquiries throughout the year.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee currently consists of Messrs. Brown, O'Brien and Rhine. Mr. O'Brien is the Chairman of the Compensation Committee. None of such members was, at any time during the Last Fiscal Year or at any previous time, an officer or employee of the Company.

None of the Company's directors or executive officers serves as a member of the board of directors or compensation committee of any other entity that has one or more of its executive officers serving as a member of the Company's board of directors. No member of the Compensation Committee had any relationship with us requiring disclosure under Item 404 of Securities and Exchange Commission Regulation S-K.

Nominating Committee

The Nominating Committee consists of Messrs. Brown, O'Brien and Rhine. Mr. Brown is the Chairman of the Nominating Committee. The Nominating Committee held one (1) meeting during the Last Fiscal Year. The Nominating Committee evaluates and approves nominations for annual election to, and to fill any vacancies in, the Board and recommends to the Board the directors to serve on committees of the Board. The Nominating Committee also approves the compensation package of the Company's directors. Messrs. Brown, O'Brien and Rhine are considered "independent" under the rules of the SEC and the Nasdaq.

The Nominating Committee has adopted a formal written charter (the "Nominating Charter"). The Nominating Charter sets forth the duties and responsibilities of the Nominating Committee and the general skills and characteristics that the Nominating Committee employs to determine the individuals to nominate for election to the Board. The Nominating Charter is available on the Company's Internet website at www.cinedigm.com.

The Nominating Committee will consider any candidates recommended by stockholders. In considering a candidate submitted by stockholders, the Nominating Committee will take into consideration the needs of the Board and the qualifications of the candidate. Nevertheless, the Board may choose not to consider an unsolicited recommendation if no vacancy exists on the Board and/or the Board does not perceive a need to increase the size of the Board.

There are no specific minimum qualifications that the Nominating Committee believes must be met by a Nominating Committee-recommended director nominee. However, the Nominating Committee believes that director candidates should, among other things, possess high degrees of integrity and honesty; have literacy in financial and business matters; have no material affiliations with direct competitors, suppliers or vendors of the Company; and preferably have experience in the Company's business and other relevant business fields (for example, finance, accounting, law and banking). The Nominating Committee considers diversity together with the other factors considered when evaluating candidates but does not have a specific policy in place with respect to diversity.

Members of the Nominating Committee meet in advance of each of the Company's annual meetings of stockholders to identify and evaluate the skills and characteristics of each director candidate for nomination for election as a director of the Company. The Nominating Committee reviews the candidates in accordance with the skills and qualifications set forth in the Nominating Charter and the rules of the Nasdaq. There are no differences in the manner in which the Nominating Committee evaluates director nominees based on whether or not the nominee is recommended by a stockholder.

Stock Ownership Guidelines

The Board has adopted stock ownership guidelines for its non-employee directors, pursuant to which the non-employee directors are required to acquire, within three (3) years, and maintain until separation from the Company, shares equal in value to a minimum of three (3) times the aggregate value of the annual cash and stock retainer (not including committee or per-meeting fees) payable to such director. Shares acquired as Board retainer fees and shares owned by an investment entity with which a non-employee director is affiliated may be counted toward the stock ownership requirement.

ITEM 11. EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

This section describes the compensation program and related decisions for our Named Executive Officers ("NEOs") in our fiscal year ended March 31, 2019 ("Fiscal 2019"). As a "smaller reporting company," as that term is defined under SEC rules, we are not required to include a "Compensation Discussion and Analysis" and are permitted to exclude certain executive compensation tables from our disclosure.

We have elected to include this Compensation Discussion & Analysis ("CD&A") as well as additional tables required under Item 402 of Regulation S-K on a voluntary basis. As permitted under Item 402, we are not including pay ratio disclosure in light of our status as a smaller reporting company. This CD&A is intended to be read in conjunction with the tables beginning on page 50, which provide historical compensation information for the following NEOs:

Current NEOs	Title
Christopher J. McGurk	Chairman and Chief Executive Officer
Gary S. Loffredo	Chief Operating Officer, President of Digital Cinema, General Counsel and Secretary
Erick Opeka	Executive Vice President and President of Cinedigm Digital Networks
Former NEOs	
Jeffrey S. Edell	Former Chief Financial Officer
William Sondheim	Former President of Cinedigm Entertainment Corp.

Leadership Transitions

The Board made several key changes with respect to the Company's executive leadership in Fiscal 2019.

Appointment of Gary Loffredo as Chief Operating Officer, President of Digital Cinema, General Counsel and Secretary

On February 13, 2019, the Company appointed Gary Loffredo as Chief Operating Officer of the Company. Mr. Loffredo retained his roles as General Counsel, Secretary and President of Digital Cinema. In his new role as Chief Operating Officer, the Company's finance team will now report directly to Mr. Loffredo.

Appointment of Erick Opeka as Executive Vice President and President of Cinedigm Digital Networks

On September 15, 2018, the Company appointed Mr. Opeka as Executive Vice President and President of Cinedigm Digital Networks. In connection with this appointment, the Company and Mr. Opeka entered into an employment agreement, the terms of which are described under the heading "Employment Agreements and Arrangements Between the Company and Named Executives" on page 51.

Resignation of Jeffrey S. Edell, former Chief Financial Officer

Mr. Edell stepped down from his position as Chief Financial Officer as of February 28, 2019.

Resignation of William Sondheim, former President of the Cinedigm Entertainment Group

On March 29, 2019, Mr. Sondheim left the Company. Please see "Additional Compensation Arrangements, Practices and Policies-Consulting Agreement with Mr. Sondheim" below.

Quick CD&A Reference Guide

I. Compensation Program Overview

The Company's executive compensation program is designed to attract, motivate and retain highly skilled and experienced individuals to attain the Company's corporate goals. To do so, the program provides competitive compensation packages that motivate executive officers, links pay to performance and aligns executive officers' interests with those of the Company and its shareholders over the long term.
The executive compensation program for the NEOs is administered by the Compensation Committee, all of the members of which are independent. The Compensation Committee annually reviews the executive compensation elements and assesses the integrity of the compensation program as a whole to ensure that it continues to be aligned with the Company's compensation objectives and supports the attainment of Company goals.

As the Company has evolved, so too has the compensation program. As the Company's performance has improved and the business has begun to stabilize, Cinedigm's executive compensation for NEOs is transitioning to a more performance-oriented program. The Company aims to improve both shareholder returns and its cash position. To help achieve these goals, the Compensation Committee has designed the compensation program to reward the Chief Executive Officer ("CEO") and other employees for achieving strategic goals and increasing shareholder value by linking a portion of pay to performance through annual cash and long-term equity incentives.

The compensation program generally consists of base salary, annual incentives, and long-term equity incentive compensation. In addition, all of our NEOs receive some modest personal benefits and perquisites. Retirement benefits are accumulated through the Company's 401(k) plan, which is open to all employees. The Company does not provide supplemental retirement benefits for NEOs. Mr. McGurk and Mr. Opeka are the only NEOs that have employment agreements with the Company.

When the Company does not meet performance targets or the share price does not increase, executive pay and payouts are affected. For Fiscal 2019, performance relative to targets and individual performance have not yet been finalized and annual

incentive payouts under the MAIP have not yet been determined. It is expected that these payouts, if any, will be determined in July 2019.

II. Compensation Philosophy and Objectives

Cinedigm's executive compensation program is focused on enabling the Company to hire and retain qualified and motivated executives, motivating them to meet its business needs and objectives. The executive compensation program has been designed around the following objectives:

- Provide competitive compensation levels to enable the recruitment and retention of highly qualified executives.
- Strengthen the link between pay and corporate and business unit performance encouraging and rewarding excellence and contributions to support Cinedigm's success.
- Align the interests of executives with those of shareholders through grants of equity-based compensation that promote increasing shareholder value and also provide opportunities for ongoing executive share ownership.

An overarching principle in delivering on these objectives is to ensure that compensation decisions are made in the Company's best financial interests such that incentive awards are both affordable NTD: Consider clarifying what this means, to have compensation decisions made in the Company's best financial interest, both affordable and reasonable. and reasonable, taking into account Company performance and circumstances and considering the interests of all stakeholders.

III. Pay Mix

The Company's pay philosophy has evolved from an emphasis on fixed pay to one that is based on the belief that a substantial portion of each executive's compensation should be at risk and dependent upon performance. While the Compensation Committee has not adopted a targeted mix of either long-term to short-term, fixed to variable, or equity and non-equity compensation, it has taken steps to increase the portion of variable compensation. Steps in this direction include the continuation of the performance-based annual incentive program (MAIP) and more regular equity grants.

IV. Compensation Determination Process

The Compensation Committee designs the executive compensation program with the intention of accomplishing the goals described above. In determining executive compensation, the Compensation Committee obtains input and advice from its independent compensation consultant. The Compensation Committee reviews and approves compensation and performance awards to the CEO and executive officers and considers financial, operational and share price performance to determine appropriate executive compensation parameters.

Role of the Independent Compensation Consultant

The Compensation Committee has selected and retained Aon as its independent compensation consultant to assist it in the performance of its duties and responsibilities. While the Compensation Committee took into consideration the review and recommendations of this independent advisor when making decisions about the Company's executive and director compensation practices, the Compensation Committee ultimately made its own independent decisions about these matters.

Competitive Assessment

The Compensation Committee used comparative compensation information from a relevant group of peer companies as one of several factors considered as part of setting compensation for our CEO and our other NEOs. The Compensation Committee has not defined a target pay positioning relative to the peer group for the CEO or the other NEOs, nor does it commit to providing total compensation at a specific percentile or within a specific pay range. In Fiscal 2019, the Compensation Committee developed new peer groups with the assistance of Aon in connection with renewing Mr. McGurk's employment agreement, setting Mr. Loffredo's compensation in connection with his promotion and establishing Mr. Opeka's employment agreement. The Compensation Committee retains discretion in determining the nature and extent of the use of peer group data. The Compensation Committee periodically reassesses the companies within the peer groups and makes changes as appropriate, considering mergers and acquisitions involving peer companies, changes in the Company's business and other factors.

In connection with renewing Mr. McGurk's employment agreement, the Compensation Committee selected a peer group that consisted of the following companies:

Avid Technology	Leaf Group
Brightcove Inc.	Limelight Networks
Digimarc Corp.	National Cinemedia
Dolphin Entertainment	RealNetworks, Inc.
Harmonic Inc.	RLJ Entertainment
IMAX Corp.	Seachange Intl.

The Committee also considered market data from broader sets of companies provided by Aon to supplement the peer group specific information.

With respect to the peer groups developed in Fiscal 2019, the Company was positioned near the median of the group for revenues.

V. Elements of Compensation

Compensation for executive officers is comprised primarily of three main components:

- base salary;
- annual incentive awards; and
- long-term incentive equity grants.

These components support the core principles of our executive officer compensation philosophy of pay for performance and alignment of executive officers' interests with those of Cinedigm and its shareholders by emphasizing short- and long-term incentives. Our compensation program encourages our employees to remain focused on both our short-term and long-term goals: our annual incentive (MAIP) measures and rewards business and individual performance on an annual basis, while our equity awards typically vest in installments of three years and increase in value with any share price appreciation, encouraging our executives to focus on the long-term performance of our company.

Base Salary

Base salaries are fixed compensation with the primary function of aiding in attraction and retention. Base salaries vary among executive officers, and are individually determined according to each executive officer's areas of responsibility, role and experience. The Compensation Committee reviews the salaries for our NEOs periodically, as well as at the time of a promotion, change in responsibilities, or when employment arrangements and/or agreements are renewed. Any increases are based on an evaluation of the performance of the Company and the executive, the relative strategic importance of the position, market conditions, and competitive pay levels (though, as noted earlier, the Compensation Committee does not target a specific percentile or range).

For Fiscal 2019, the Compensation Committee did not adjust the base salary of our CEO, Mr. McGurk, and did adjust the base salaries each of the newly-promoted Messrs. Loffredo and Opeka by $75,000. The Compensation Committee did so after having selected appropriate peer groups and having determined with reference to such peer groups that the base salaries of such officers, at the current level for Mr. McGurk and as adjusted for Messrs. Opeka and Loffredo, were in the range of the competitive market. The new base salaries for Mr. Loffredo and Mr. Opeka became effective on February 13, 2019 and September 15, 2018, respectively.

Annual Incentive Awards

The annual cash incentive component aims to ensure that our executive officers are aligned in reaching our short- and long-term goals. Annual cash incentives are designed to provide a significant pay-for-performance element of our executive compensation package, through the formal performance-based Management Annual Incentive Plan ("MAIP"). The MAIP incorporates predetermined, specific target award levels and performance metrics and goals that the Compensation Committee deemed rigorous and challenging. The MAIP goals are critical to Cinedigm's future success and are designed to reward the collaboration across divisions and segments required to achieve corporate financial goals.

All NEOs have a target bonus set at a fixed percentage of their base salary. The program also established threshold and maximum levels of incentive awards defined as a percentage of a participant's salary. The Compensation Committee generally establishes the individual payout targets for each NEO based on the executive's position, level of responsibility and a review of the competitive market.

Threshold, target and maximum annual incentive opportunities for our NEOs for Fiscal 2019 were as follows:

MAIP Potential Awards

Executive Officer	Threshold	Target (as a % of base salary)	Maximum
Chris McGurk	37.5%	100%	150%
Gary S. Loffredo	25%	50%	100%
Erick Opeka	17.5%	35%	70%
Jeffrey Edell	25%	50%	100%
William S. Sondheim	17.5%	35%	70%

At the beginning of the fiscal year, the Compensation Committee established performance measures and goals set forth in the table below. For Fiscal 2019, there was a Company and/or division component with a performance measure and an individual component. The Company/division measure consisted of consolidated adjusted EBITDA. Mr. Loffredo, Mr. Opeka and Mr. Sondheim, who each led a division in Fiscal 2019, had a portion of their award determined by that division's EBITDA performance as compared to EBITDA goals established at the beginning of the fiscal year.

Executive Officers	Company		Individual
	Cinedigm	Division	
Chris McGurk	80%	--	20%
Gary Loffredo	60%	20%	20%
Erick Opeka	60%	20%	20%
Jeffrey Edell	80%	--	20%
William S. Sondheim	60%	20%	20%

We do not disclose performance targets, division targets or individual goals, as we believe that such disclosure would result in competitive harm. Based on our experience, we believe these targets were rigorous and challenging, and were set sufficiently high to provide incentive to achieve a high level of performance. We believe it is difficult, although not unattainable, for the targets to be reached and, therefore, no more likely than unlikely that the targets will be reached.

The Compensation Committee reviewed Company EBITDA achievement against our Fiscal 2019 objectives. While Company financial results would have earned a payout, in light of overall performance, the Compensation Committee exercised negative discretion and did not make any payouts under the executive officers' annual cash incentive plan for Fiscal 2019.

Long-Term Incentive Awards

The Compensation Committee uses equity-based compensation to reward future performance, as reflected by the market price of our shares and/or other performance criteria. The Compensation Committee annually considers long-term incentive awards, for which it has the authority to grant a variety of equity-based awards. The primary objective of such awards is to align the interests of executives with those of the Company and its shareholders by offering incentives to achieve performance goals believed to be linked to increasing shareholder value, increasing executive share ownership and fostering a long-term focus. In recent years, such awards have been made after fiscal year end in order to permit consideration of year-end performance.

We currently maintain the 2017 Equity Incentive Plan ("2017 Plan"). The 2017 Plan is administered by the Compensation Committee. Under the 2017 Plan, the Compensation Committee or the Board has authority to grant awards of non-qualified stock options, incentive stock options, stock appreciation rights ("SARs"), restricted stock, restricted stock units, performance shares, performance units, cash-based awards, or other stock-based awards to employees, non-employee directors, and third-party consultants.

The Compensation Committee determines the executive officers' equity-based awards, taking into account pay mix and the executive officer's contribution to Company performance. The mix of equity-based vehicles is structured to enhance the executive officers' commitment to increasing shareholder value.

Performance Units

In Fiscal 2019, under the 2017 Plan, the Compensation Committee granted Mr. McGurk 640,000 performance units and granted Messrs. Loffredo, Opeka, Sondheim and Edell 200,000 performance units. The performance units will vest based on the achievement of cumulative internal adjusted EBITDA ("Cumulative IAEBITDA") targets determined in the sole and absolute discretion of the Compensation Committee, with 50% of such shares to vest based on Cumulative IAEBITDA from April 1, 2018 to March 31, 2019 (the "2019 performance period") and the other 50% of such shares to vest based on Cumulative IAEBITDA from April 1, 2019 to March 31, 2020 (the "2020 performance period"). The Company has discretion to pay such award in cash or in stock. Any performance units that are not earned based on the 2019 performance period will become eligible to be earned during the 2020 performance period.

Performance Metrics	Target	Actual
2019 Cumulative IAEBITDA	> $9.1 million	$13.6 million

Cumulative IABITDA for the 2019 performance period was $11.7 million. The Compensation Committee will review and approve the performance units earned by Mr. McGurk and Messrs. Loffredo and Opeka in the near future. Messrs. Edell and Sondheim terminated prior to March 31, 2019 and forfeited their performance units as a result.

SARs

In Fiscal 2019, the Compensation Committee granted SARs to the NEOs under our 2017 Plan. Mr. McGurk was granted 700,000 SARs, Mr. Loffredo was granted 407,610 SARs , and Mr. Opeka was granted 355,000 SARs. The SARs granted to Messrs. McGurk and Loffredo have an exercise price of $1.47 and will vest in equal installments on March 31 of each of 2019, 2020 and 2021. The SARs granted to Mr. Opeka have an exercise price of $1.16 and will also vest in equal installments on March 31 of each of 2019, 2020 and 2021. SARs granted to Messrs. Edell and Sondheim were forfeited due to their termination of employment.

VI. Additional Compensation Arrangements, Policies and Practices

Mr. McGurk's Compensation Arrangements

Mr. McGurk joined Cinedigm in January 2011 as CEO and Chairman of the Board. Accordingly, Mr. McGurk's compensation package was created in line with the Company's current compensation philosophy of a base salary coupled with variable compensation including a large portion of equity-based compensation, through stock options, linked to stock price performance. When negotiating Mr. McGurk's employment agreement, the Company sought to provide salary and bonus amounts that were in line with peer group amounts and that would provide incentive for Mr. McGurk with a view toward increasing stockholder value.

A summary of Mr. McGurk's compensation package is located under the heading "Employment Agreements and Arrangements Between the Company and Named Executives" of this Item.

Employment Agreement with Mr. McGurk and Employment Arrangements for other NEOs

The Company currently has employment agreements with Mr. McGurk and Mr. Opeka and employment arrangements with Mr. Loffredo for retention during periods of uncertainty and operational challenge. Additionally, the employment agreements and employment arrangements include non-compete and non-solicitation provisions. The provisions for severance benefits are at typical competitive levels. See "Employment Agreements and Arrangements Between the Company and Named Executives" of this Item for a description of the material terms of Mr. Opeka's employment agreements and Messrs. Loffredo's, Edell's and Sondheim's employment arrangements.

Consulting Agreement with Mr. Sondheim

In connection with his resignation and in order to ensure an orderly transition, the Board determined that it was in the Company's best interests for Mr. Sondheim to continue to serve as a consultant to the Company. Accordingly, we entered into a consulting agreement with Mr. Sondheim, pursuant to which Mr. Sondheim will serve as a consultant for a six (6) month term for a consulting fee of $36,413.56 per month. The consulting agreement further provides that Mr. Sondheim will not render services of the kind rendered to the Company to any person or any entity other than the Company for the six (6) month period. If Mr. Sondheim elects to render such services to a person or entity other than the Company, the monthly fee will be reduced by 50%.

Personal Benefits and Perquisites

In addition to the benefits provided to all employees and grandfathered benefits (provided to all employees hired before January 1, 2005), the CEO and NEOs are eligible for an annual physical and supplemental life insurance coverage of $200,000.

It is the Company's policy to provide minimal and modest perquisites to the CEO and NEOs. With the new employment arrangements, most perquisites previously provided, including automobile allowances, have been eliminated.

Policy on Deductibility of Compensation

Section 162(m) of the Internal Revenue Code limits the deductibility of compensation in excess of $1 million paid to certain executive officers named in this proxy statement, unless certain requirements are met. Pursuant to the Tax Cuts and Jobs Act of 2017, subject to certain transition rules (which apply to remuneration provided pursuant to written binding contracts which were in effect on November 2, 2017 and which are not subsequently modified in any material respect), for taxable years beginning after December 31, 2017, the exemption from the deduction limit for "performance-based compensation" is no longer available. Consequently, for fiscal years beginning after December 31, 2017, all remuneration in excess of $1 million paid to a specified executive will not be deductible. No element of the Company's compensation, including the annual incentive awards and restricted stock, meets these requirements. Given the Company's net operating losses, Section 162(m) is not currently a material factor in designing compensation.

Recoupment ("Clawback") Policy

The Company intends to recapture compensation as currently required under the Sarbanes-Oxley Act. However, there have been no instances to date where it needed to recapture any compensation.

Additionally, we recognize that our compensation program will be subject to the forthcoming amendments to stock exchange listing standards required by Section 954 of the Dodd-Frank Act, which requires that stock exchange listing standards be amended to require issuers to adopt a policy providing for the recovery from any current or former executive officer of any incentive-based compensation (including stock options) awarded during the three-year period prior to an accounting restatement resulting from material noncompliance of the issuer with financial reporting requirements. We intend to adopt such a clawback policy which complies with all applicable standards when such rules are adopted.

Restriction on Speculative Transactions

The Company's Insider Trading and Disclosure Policy restricts employees and directors of the Company from engaging in speculative transactions in Company securities, including short sales, and discourages employees and directors of the Company from engaging in hedging transactions, including "cashless" collars, forward sales, and equity swaps, that may indirectly involve short sales. Pre-clearance by the Company is required for all equity transactions.

COMPENSATION COMMITTEE REPORT

The following report does not constitute soliciting material and is not considered filed or incorporated by reference into any other filing by the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis that precedes this Report as required by Item 402(b) of the SEC's Regulation S-K. Based on its review and discussions with management, the Compensation Committee recommended to the Board the inclusion of the Compensation Discussion and Analysis in this proxy statement.

The Compensation Discussion and Analysis discusses the philosophy, principles, and policies underlying the Company's compensation programs that were in effect during Fiscal 2019.

Respectfully submitted,

The Compensation Committee of the Board of Directors
Patrick W. O'Brien, Chairman
Peter C. Brown
Zvi M. Rhine

Named Executives

The following table sets forth certain information concerning compensation received by the Company's Named Executives, consisting of the Company's Chief Executive Officer and its two other most highly compensated individuals who were serving as executive officers at the end of the Last Fiscal Year, plus two additional persons for whom disclosures would have been provided but for the fact that they were not serving as executive officers at the end of the Last Fiscal Year, for services rendered in all capacities during the Last Fiscal Year.

SUMMARY COMPENSATION TABLE

Name and Principal Position(s)	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($) (1)	Non-Equity Incentive Plan Compensation ($) (2)	All Other Compensation ($)(3)	Total ($)
Christopher J. McGurk	2019	600,000	400,000	—	700,000		43,697	1,043,697
Chief Executive Officer and Chairman	2018	600,000	550,000	366,000	—	—	39,509	1,555,509
	2017	600,000	—	543,000	—	—	39,061	1,182,061
Gary S. Loffredo	2019	367,424	100,000	—	407,610		43,697	511,121
Chief Operating Officer	2018	350,667	150,000	122,000	—	—	38,219	660,886
Erick Opeka	2019	292,295	100,000	—	355,000	—	7,537	399,831
President of Digital Networks								
Jeffrey S. Edell	2019	383,579	100,000	—	407,610		43,697	527,276
Former Chief Financial Officer (through February 28, 2019)	2018	350,667	150,000	122,000	—	—	39,509	662,176
	2017	344,445	—	181,000	—	—	28,279	553,724
William Sondheim	2019	433,925	100,000	—	407,610	—	16,134	550,059
Former President, Cinedigm Entertainment Corp.	2018	424,236	67,500	122,000	—	—	24,422	638,158
(through March 29, 2019)	2017	418,013	—	181,000	—	—	34,531	633,544

(1) The amounts in this column reflect the grant date fair value for all fiscal years presented in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in footnote 2 to the Company's audited financial statements for the fiscal year ended March 31, 2019 and 2018, included in this Annual Report on Form 10-K (the "Form 10-K").

(2) The amounts in this column reflect amounts earned under annual incentive awards. See below for a description of the material terms of the annual incentive plan for each Named Executive.

(3) Includes life and disability insurance premiums paid by the Company and certain medical expenses paid by the Company for each Named Executive, for the fiscal year ended March 31, 2019: for Mr. McGurk $1,107 and $42,590, Mr. Loffredo $1,107 and $42,590, for Mr. Opeka $830 and $6706, for Mr. Edell $1,107 and $42,590 and for Mr. Sondheim $830 and $15,303.

Employment agreements and arrangements between the Company and Named Executive Officers

Christopher J. McGurk . On August 22, 2013, the Company entered into a new employment agreement with Mr. McGurk (the "2013 McGurk Employment Agreement") which superseded his initial employment agreement, pursuant to which McGurk will continue to serve as the Chief Executive Officer and Chairman of the Board of the Company. The term of the 2013 McGurk Employment Agreement commenced on January 3, 2011 and ended on March 31, 2017. Pursuant to the 2013 McGurk Employment Agreement, Mr. McGurk received an annual base salary of $600,000 subject to annual reviews and increases in the sole discretion of the Compensation Committee. Mr. McGurk was entitled to receive a bonus of $250,000. In addition, Mr. McGurk was entitled to receive a retention bonus of $750,000, payable in three equal installments on March 31 of each of 2015, 2016 and 2017 in cash or shares of Class A Common Stock, or a combination thereof, at the Compensation Committee's discretion Under the MAIP, Mr. McGurk's target bonus for fiscal years 2015, 2016 and 2017 was $600,000.

Also pursuant to the 2013 McGurk Employment Agreement, Mr. McGurk received a grant of non-statutory options to purchase 1,500,000 shares of Common Stock, which options have an exercise price of $1.40 and a term of ten (10) years, and one-third (1/3) of which vested on March 31 of each of 2015, 2016 and 2017.

The 2013 McGurk Employment Agreement further provided that Mr. McGurk is entitled to participate in all benefit plans provided to senior executives of the Company. In addition, if the Company terminated Mr. McGurk's employment without cause or he resigned with good reason, the 2013 McGurk Employment Agreement provided that he would be entitled to receive his base salary through the later of March 31, 2017 or twelve (12) months following such termination as well as bonus earned and approved by the Compensation Committee, reimbursement of expenses incurred and benefits accrued prior to the termination date. If such termination or resignation occurred within two years after a change in control, then in lieu of receiving his base salary as described above, Mr. McGurk would have been entitled to receive a lump sum payment equal to the sum of his then base salary and target bonus amount, multiplied by the greater of (i) two, or (ii) a fraction, the numerator of which would be the number of months remaining in the term (but no less than twelve (12), and the denominator of which is twelve. Upon a change in control, any unvested options shall immediately vest provided that Mr. McGurk is an employee of the Company on such date.

On January 4, 2017, Mr. McGurk and the Company amended the 2013 McGurk Employment Agreement to extend the term to March 31, 2018.

On June 7, 2018, Mr. McGurk and the Company entered into an amendment (the "2018 Amendment") to the 2013 McGurk Employment Agreement. Pursuant to the 2018 Amendment, Mr. McGurk will continue to serve as the Chief Executive Officer and Chairman of the Board of the Company through March 31, 2021. The 2018 Amendment also provides that (i) if Mr. McGurk's employment continues after March 31, 2021 without an extension or renewal of the Employment Agreement, as amended, or entry into another employment agreement, then such employment will be at-will and, for the duration of the at-will employment, Mr. McGurk will be entitled to receive the his base salary and participate in the bonus, stock incentive, and benefit programs in effect at the expiration of the Term (as defined in the 2018 Amendment).

The 2018 Amendment also provides that Mr. McGurk is eligible for (i) under the Company's MAIP, a target bonus opportunity percentage of 100% of the Base Salary, to be adjusted higher or lower at the sole and absolute discretion of the Compensation Committee consistent with goals established from time to time by the Compensation Committee, (ii) under the Company's 2017 Equity Incentive Plan, performance share units for up to 640,000 shares of the Company's Class A Common Stock, subject to the EBITDA targets to be determined in the sole and absolute discretion of the Compensation Committee, with 50% of such shares to vest on March 31 of each of 2019 and 2020, and (iii) under the Company's 2017 Equity Incentive Plan, 700,000 stock appreciation rights ("SARs") having an exercise price of $1.47 and a term of ten (10) years, and one-third (1/3) of which will vest on March 31 of each of 2019, 2020 and 2021.

The 2018 Amendment also provides that, in the event of a termination without Cause, Mr. McGurk shall be entitled to payment of (i) the greater of any Base Salary for the remainder of the Term or one year's Base Salary and (ii) an amount equivalent to the average of the last three (3) bonus payments under the MAIP, if any, under the Employment Agreement. In addition, the Amendment provides that the existing severance terms in connection with a Change in Control apply if all conditions to such payment occur prior to March 31, 2020, and that if such conditions apply occur thereafter, then Mr. McGurk shall be entitled to the payments described in the first sentence of this paragraph instead.

All terms of the 2013 McGurk Employment Agreement that were not affected by the Amendment remain in full force and effect.

Gary S. Loffredo . On October 13, 2013, the Company entered into an employment agreement with Mr. Loffredo (the "2013 Loffredo Employment Agreement"). Pursuant to the 2013 Loffredo Agreement, Loffredo serves as the Executive Vice President, Business Affairs, General Counsel and Secretary of the Company and President of Digital Cinema Operations. The 2013 Loffredo

Employment Agreement superseded Mr. Loffredo's prior employment agreement with the Company (the "2011 Loffredo Employment Agreement"). The term of the 2013 Loffredo Employment Agreement continued from the 2011 Loffredo Employment Agreement and ended on October 3, 2015, and upon such expiration, Mr. Loffredo became an at-will employee. Pursuant to the 2013 Loffredo Employment Agreement, Mr. Loffredo will receive an annual base salary of $340,000 subject to increase at the discretion of the Compensation Committee. In addition, Mr. Loffredo was eligible for bonuses for each fiscal year, with target bonus for fiscal years 2014 and 2015, and the pro rata portion of fiscal year 2016 covered by the 2013 Loffredo Employment Agreement, of $170,000, which bonuses were to be based on Company performance with goals to be established annually by the Compensation Committee.

Also pursuant to the 2013 Loffredo Employment Agreement, Mr. Loffredo received a grant of non-statutory options to purchase 350,000 shares of Class A Common Stock, which options have an exercise price of $1.54 and a term of ten (10) years, and one-third (1/3) of which vested on October 13 of each of 2014, 2015 and 2016.

The 2013 Loffredo Employment Agreement further provides that Mr. Loffredo is entitled to participate in all benefit plans provided to senior executives of the Company. If the Company terminates Mr. Loffredo's employment without cause or he resigns with good reason, the 2013 Loffredo Employment Agreement provides that he is entitled to receive his base salary for the longer of the remainder of the term or the (twelve) 12 months following the termination as well as earned salary and bonus(es), reimbursement of expenses incurred and benefits accrued prior to the termination date. If such termination or resignation occurs within two years after a change in control, then in lieu of receiving his base salary as described above, Mr. Loffredo would be entitled to receive a lump sum payment equal to two times the sum of his then base salary and target bonus amount.

Erick Opeka, On September 15, 2018, the Company entered into an employment agreement with Mr. Opeka (the "Opeka Employment Agreement"), pursuant to which Mr. Opeka will serve as President Networks of the Company. The term of the Opeka Employment Agreement is from September 15, 2018 through September 15, 2021 and upon such expiration Mr. Opeka will become an at-will employee. As outlined in the Employment Agreement, Mr. Opeka will receive an annual base salary of $325,000 subject to annual reviews and increase for subsequent years in the sole discretion of the Compensation Committee of the board of directors (the "Board) of the company (the "Committee"). Mr. Opeka shall participate in the Company's Management Annual Incentive Plan ("MAIP") or any amended or successor plan thereto.

As outlined in the Opeka Employment Agreement, on September 28, 2018 Mr. Opeka was granted 355,000 SARs. Each SAR entitles the participant to receive, upon exercise, an amount equal to the excess of the market price per share of the Class A common stock on the exercise date, over $1.16, being not less than the market price per share of the Class A common stock on the grant date, cash, or combination of both cash and common stock, at the option of the Company. Stock-based compensation was immaterial for the six months ended September 30, 2018 relating to these SARs. These SARs expire ten years from the grant date and vest 118,333 shares on each of March 31, 2019 and March 31, 2020, and 118,334 shares on March 31, 2021.

Jeffrey S. Edell . On June 9, 2014, the Company entered into an employment agreement with Jeffrey Edell (the "Edell 2014 Employment Agreement"), was amended and restated as of November 1, 2015 (the "Edell 2015 Employment Agreement",
and together with the Edell 2014 Employment Agreement, the "Edell Employment Agreement") pursuant to which Edell serves as Chief Financial Officer of the Company. Mr. Edell also serves as Principal Accounting Officer. The term of the Edell Employment Agreement commenced on June 9, 2014 and ended on June 8, 2016, and upon such expiration, Mr. Edell became an at-will employee. Pursuant to the Edell 2014 Employment Agreement, Edell received an annual base salary of $285,000, which was increased to $340,000 pursuant to the Edell 2015 Employment Agreement. In addition, pursuant to the
Edell Employment Agreement, Edell was eligible for bonuses for each of the fiscal years ending March 31, 2015 and March 31, 2016, with the target bonus for such years of 50% of his salary, which bonuses shall be based on Company performance with goals to be established annually by the Compensation Committee. Pursuant to the Edell 2015 Employment Agreement, Mr. Edell received an inducement bonus of $35,000.

Also pursuant to the Edell 2014 Employment Agreement, Edell received (i) a grant on June 9, 2014 of non-statutory options to purchase 25,000 shares of Common Stock, which options have an exercise price of $26.60 per share, vest in equal annual installments on June 9 of each of 2015, 2016, 2017 and 2018 and have a term of ten (10) years, and (ii) a grant on June 4, 2015 of non-statutory options to purchase 10,000 shares of Common Stock, which options have an exercise price of $9.00 per share, vest in equal annual installments on June 4 of each of 2016, 2017, 2018 and 2019 and have a term of ten (10) years. The Edell Employment Agreement further provides that Edell is entitled to participate in all benefit plans provided to senior executives of the Company. The Employment Agreement provides that he is entitled to receive his base salary for the longer of the remainder of the term or the (twelve) 12 months following the termination as well as earned salary and bonus(es),reimbursement of expenses incurred and benefits accrued prior to the termination date. If such termination or resignation occurs within two years after a change in control, then in lieu of receiving his base salary as described above, Edell

would be entitled to receive a lump sum payment equal to two times the sum of his then base salary and target bonus amount. Mr. Edell left the Company effective February 28, 2019.

William S. Sondheim. On December 4, 2014, Cinedigm Entertainment Corp., a wholly-owned subsidiary of Cinedigm, entered into an employment agreement with William Sondheim (the "Sondheim Employment Agreement"), pursuant to which Mr. Sondheim will serve as President of Cinedigm Entertainment Corp. and President of Cinedigm Home Entertainment, LLC, a wholly-owned indirect subsidiary of Cinedigm. The term of the Sondheim Employment Agreement is from October 1, 2014 through September 30, 2016, and upon such expiration Mr. Sondheim became an at-will employee. Pursuant to the Sondheim Employment Agreement, Mr. Sondheim will receive an annual base salary of $412,000 subject to increase at the discretion of the Compensation Committee. In addition, Mr. Sondheim will be eligible for bonuses for each fiscal year, with target bonus for fiscal years 2015 and 2016 of $144,200, which bonuses shall be based on Company performance with goals to be established annually by the Compensation Committee.

The Sondheim Employment Agreement further provides that Mr. Sondheim is entitled to participate in all benefit plans provided to senior executives of the Company. If the Company terminates Mr. Sondheim's employment without cause or he resigns with good reason, the Sondheim Employment Agreement provides that he is entitled to receive his base salary for the longer of the remainder of the term or the (twelve) 12 months following the termination as well as earned salary and bonus(es), reimbursement of expenses incurred and benefits accrued prior to the termination date. If such termination or resignation occurs within two years after a change in control, then in lieu of receiving his base salary as described above, Mr. Sondheim would be entitled to receive a lump sum payment equal to two times the sum of his then base salary and target bonus amount. Mr. Sondheim left the Company effective March 29, 2019.

Equity Compensation Plans

The following table sets forth certain information, as of March 31, 2019, regarding the shares of Cinedigm's Class A Common Stock authorized for issuance under Cinedigm's equity compensation plan.

Plan	Number of shares of common stock issuable upon exercise of outstanding options, warrants or rights (1)	Weighted average of exercise price of outstanding	Number of shares of common stock remaining available for future issuance (1)
Cinedigm Second Amended and Restated 2000 Equity Incentive Plan ("the 2000 Plan") approved by shareholders	300,315	$ 14.87	—
Cinedigm 2017 Equity Incentive Plan (the "2017 Plan")	—	—	1,340,199
Cinedigm compensation plans not approved by shareholders (2)	490,500	—	—

(1) Shares of Cinedigm Class A Common Stock.

(2) Reflects stock options which were not granted under the 2000 Plan or the 2017 Plan .

The 2000 Plan

Our Board originally adopted the 2000 Plan on June 1, 2000 and our shareholders approved the 2000 Plan by written consent in July 2000. Certain terms of the Plan were last amended and approved by our shareholders in September 2016. Under the 2000 Plan, we may grant incentive and non-statutory stock options, stock, restricted stock, restricted stock units (RSUs), stock appreciation rights, performance awards and other equity-based awards to our employees, non-employee directors and consultants. The primary purpose of the 2000 Plan is to enable us to attract, retain and motivate our employees, non-employee directors and consultants. The term of the 2000 Plan expires on June 1, 2020. The 2000 Plan has been replaced by the 2017 Plan, and no new awards will be granted from the 2000 Plan; however, the adoption of the 2017 Plan did not affect awards already granted under the 2000 Plan.

Options granted under the 2000 Plan expire ten years following the date of grant (or such shorter period of time as may be provided in a stock option agreement or five years in the case of incentive stock options granted to stockholders who own greater than 10% of the total combined voting power of the Company) and are subject to restrictions on transfer. Options granted under the Plan generally vest over periods of up to three or four years. The 2000 Plan is administered by the

Compensation Committee, and may be amended or terminated by the Board, although no amendment or termination may adversely affect the right of any individual with respect to any outstanding option without the consent of such individual. The 2000 Plan provides for the granting of incentive stock options with exercise prices of not less than 100% of the fair market value of the Company's Class A Common Stock on the date of grant. Incentive stock options granted to stockholders of more than 10% of the total combined voting power of the Company must have exercise prices of not less than 110% of the fair market value of the Company's Class A Common Stock on the date of grant. Incentive and non-statutory stock options granted under the 2000 Plan are subject to vesting provisions, and exercise is generally subject to the continuous service of the optionee, except for consultants. The exercise prices and vesting periods (if any) for non-statutory options may be set at the discretion of the Board or the Compensation Committee. Upon a change of control of the Company, all options (incentive and non-statutory) that have not previously vested will vest immediately and become fully exercisable. Options covering no more than 50,000 shares may be granted to one participant during any calendar year unless pursuant to a multi-year award, in which case no more than options covering 50,000 shares per year of the award may be granted, and during which period no additional options may be granted to such participant.

Grants of restricted stock and restricted stock units are subject to vesting requirements, generally vesting over periods up to three years, determined by the Compensation Committee and set forth in notices to the participants. Grants of stock, restricted stock and restricted stock units shall not exceed 40% of the total number of shares available to be issued under the 2000 Plan.
Stock appreciation rights ("SARs") consist of the right to the monetary equivalent of the increase in value of a specified number of shares over a specified period of time. Upon exercise, SARs may be paid in cash or shares of Class A Common Stock or a combination thereof. Grants of SARs are subject to vesting requirements, similar to those of stock options, determined by the Compensation Committee and set forth in agreements between the Company and the participants. RSUs shall be similar to restricted stock except that no Class A Common Stock is actually awarded to the Participant on the grant date of the RSUs and the Compensation Committee shall have the discretion to pay such RSUs upon vesting in cash or shares of Class A Common Stock or a combination thereof.

Performance awards consist of awards of stock and other equity-based awards that are valued in whole or in part by reference to, or are otherwise based on, the market value of the Class A Common Stock, or other securities of the Company, and may be paid in shares of Class A Common Stock, cash or another form of property as the Compensation Committee may determine. Grants of performance awards shall entitle participants to receive an award if the measures of performance established by the Committee are met. Such measures shall be established by the Compensation Committee but the relevant measurement period for any performance award must be at least 12 months. Grants of performance awards shall not cover the issuance of shares that would exceed 20% of the total number of shares available to be issued under the 2000 Plan, and no more than 500,000 shares pursuant to any performance awards shall be granted to one participant in a calendar year unless pursuant to a multi-year award. The terms of grants of performance awards would be set forth in agreements between the Company and the participants.

The 2017 Plan

Our Board adopted the 2017 Plan on August 7, 2017 and our stockholders approved the 2017 Plan on August 31, 2017. Under the 2017 Plan, we may grant incentive and non-statutory stock options, stock, restricted stock, restricted stock units (RSUs), stock appreciation rights, performance awards and other equity-based awards to our employees, non-employee directors and consultants. The primary purpose of the 2017 Plan is to enable us to attract, retain and motivate our employees, non-employee directors and consultants.

Options granted under the 2017 Plan expire ten years following the date of grant (or such shorter period of time as may be provided in a stock option agreement, or five years in the case of incentive stock options granted to stockholders who own greater than 10% of the total combined voting power of the Company) and are subject to restrictions on transfer. The 2017 Plan is administered by the Compensation Committee, and may be amended or terminated by the Committee, although no amendment or termination may have a material adverse effect on the rights of any individual with respect to any outstanding option, without the consent of such individual. The exercise prices of stock options granted must be not less than 100% of the fair market value of the Company's Class A Common Stock on the date of grant. Incentive stock options granted to stockholders of more than 10% of the total combined voting power of the Company must have exercise prices of not less than 110% of the fair market value of the Company's Class A Common Stock on the date of grant. Incentive and non-statutory stock options granted under the 2017 Plan may be subject to vesting provisions, and exercise is generally subject to the continuous service of the optionee, except for consultants. The exercise prices and vesting periods (if any) for non-statutory options may be set at the discretion of the Board or the Compensation Committee. Upon a change of control of the Company, where the Company's Common Stock does not continue to be publicly traded, unless replacement awards are issued in connection with the transaction, all options (incentive and non-statutory) that have not previously vested will vest immediately and become fully exercisable. Options covering no more than 400,000 shares (300,000, in the aggregate, to all non-employee directors) may be granted to one participant during any calendar year. Stock appreciation rights ("SARs") consist of the right to the monetary

equivalent of the increase in value of a specified number of shares over a specified period of time. Upon exercise, SARs may be paid, at the discretion of the Compensation Committee, in cash or shares of Class A Common Stock or a combination thereof. Grants of SARs are subject to terms determined by the Compensation Committee and set forth in agreements between the Company and the participants.

Grants of restricted stock and restricted stock units are subject to vesting requirements, generally vesting over periods up to three years, determined by the Compensation Committee and set forth in notices to the participants. Grants of stock, restricted stock and restricted stock units shall not exceed 40% of the total number of shares available to be issued under the Plan.

RSUs shall be similar to restricted stock except that no Class A Common Stock is actually awarded to the Participant on the grant date of the RSUs and the Compensation Committee shall have the discretion to pay such RSUs upon vesting in cash or shares of Class A common stock or a combination thereof.

Performance awards consist of awards of stock and other equity-based awards that are valued in whole or in part by reference to, or are otherwise based on, the market value of the Class A Common Stock, or other securities of the Company, and may be paid in shares of Class A Common Stock, cash or another form of property as the Compensation Committee may determine. Grants of performance awards shall entitle participants to receive an award if the measures of performance established by the Committee are met. Such measures shall be established by the Compensation Committee but the relevant measurement period for any performance award must be at least 12 months. Grants of performance awards shall not cover the issuance of shares that would exceed 20% of the total number of shares available to be issued under the Plan, and no more than 500,000 shares pursuant to any performance awards shall be granted to one participant in a calendar year unless pursuant to a multi-year award. The terms of grants of performance awards would be set forth in agreements between the Company and the participants.

Our Class A common stock is listed for trading on the Nasdaq under the symbol “CIDM”.

The following table sets forth certain information concerning outstanding equity awards of the Company’s Named Executives at the end of the Last Fiscal Year. All outstanding stock awards reported in this table represent restricted stock that vests in equal annual installments over three years. At the end of the Last Fiscal Year, there were no unearned equity awards under performance-based plans.

OUTSTANDING EQUITY AWARDS AT MARCH 31, 2019

	OPTION AWARDS (1)					STOCK AWARDS	
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)
Christopher J. McGurk	150,000 (2)	—	15.00	12/23/2020	—	—
	250,000 (2)	—	30.00	12/23/2020	—	—
	50,000 (2)	—	50.00	12/23/2020	—	—
	150,000 (3)	—	14.00	8/22/2023	—	—
	233,000 (4)	466,667 (4)	1.47	6/7/2028	—	—
Gary S. Loffredo	4,000 (5)	—	13.70	8/11/2019	—	—
	9,000 (6)	—	13.70	10/21/2019	—	—
	6,479 (7)	—	14.00	6/11/2020	—	—
	22,500 (8)	—	14.90	8/16/2021	—	—
	7,500 (9)	—	30.00	8/16/2021	—	—
	35,000 (10)	—	15.40	10/13/2023	—	—
	—	407,601 (11)	1.47	12/10/2028	—	—
Erick Opeka	4,000 (12)		15.10	4/20/2022	—	—
	8,000 (13)		18.10	9/2/2024	—	—
	118,333 (4)	236,667 (4)	1.16	9/28/2028	—	—
Jeffrey S. Edell	25,000	—	26.60	6/9/2024	—	—
	10,000	—	8.75	6/4/2025	—	—
	—	407,610 (11)	1.47	12/10/2028	—	—
William S. Sondheim	25,000 (16)	—	17.50	10/21/2023	—	—
	—	407,601 (11)	1.47	12/10/2028	—	—

(1) Reflects stock options granted under the Company's 2000 Plan, except certain options granted to Mr. McGurk and Mr. Sondheim.
(2) Reflects stock options not granted under the 2000 Plan. Of such options, 1/3 in each tranche vested on December 23 of each of 2011, 2012 and 2013.

(3) Of such total options, 1/3 vested on March 31 of each 2015, 2016 and 2017.
(4) Consists of stock appreciation rights which vest as to 1/3 on March 31 of each of 2019, 2020 and 2021.
(5) Such options vested on August 11, 2009.
(6) Such options vested on October 21, 2012
(7) Of such total options, 1/3 vest on June 11 of each 2011, 2012 and 2013.
(8) Such options vested on August 17, 2012.
(9) Of such total options, 1/4 vested on August 17 of each 2012, 2013, 2014 and 2015.
(10) Of such total options, 1/3 vested on October 13 of each 2014, 2015 and 2016.
(11) Consists of stock appreciation rights which vest as to 1/3 on December 10 of each of 2019, 2020 and 2021.
(12) 1,000 of such options vested on April 20 of each of 2013, 2014, 2015 and 2016.
(13) 2,000 of such options vested on September 2 of each of 2015, 2016, 2017 and 2018.
(14) Of such total options, 1/4 vested on June 9 of each 2015, 2016, 2017 and 2018; however, all unvested awards vested on November 1, 2017.
(15) Of such total options, 1/4 vest on June 4 of each 2016, 2017, 2018 and 2019; however, all unvested awards vested on November 1, 2017.
(16) Reflects stock options not granted under the 2000 Plan. Of such total options, 1/4 vested on October 21 of each of 2014, 2015, 2016 and 2017.

Directors

The following table sets forth certain information concerning compensation earned by the Company's Directors for services rendered as a director during the Last Fiscal Year.

Name	Cash Fees Earned ($)	Stock Awards ($)	Total ($)
Peter C. Brown	$ 50,000	$ 50,000	$ 100,000
Patrick W. O'Brien	62,000	62,000	124,000
Zvi M. Rhine	50,000	50,000	100,000
Peng Jin	50,000	50,000	100,000
Peixin Xu	50,000	50,000	100,000

Each director who is not an employee of the Company is compensated for services as a director by receiving an annual cash retainer for Board service of $50,000, payable quarterly in arrears, and an annual stock grant of restricted shares of Class A common stock equal in value to $50,000 as of the last day of the fiscal quarter during which the Company's annual meeting occurs, which restricted shares shall vest on a quarterly basis during the year of service. In addition to the cash and stock retainers paid to all non-employee Directors for Board service, the Lead Independent Director receives a fixed amount to be determined by the Nominating and Governance Committee. The directors may elect to receive any annual cash retainer in shares of vested Class A common stock, in lieu of cash, based on the stock price as of the date of the cash payment. The Company requires that Directors agree to retain 100% of their net after tax shares received for board service until separation from the Company. In addition, the Directors are reimbursed by the Company for expenses of traveling on Company business, which to date has consisted of attending Board and Committee meetings.

The Company has adopted Stock Ownership Guidelines for its non-employee directors as discussed in Part III, Item 10 of this Report on Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

As of May 30, 2019, the Company's directors, executive officers and principal stockholders beneficially own, directly or indirectly, in the aggregate, approximately 62.5% of its outstanding Class A Common. These stockholders have significant influence over the Company's business affairs, with the ability to control matters requiring approval by the Company's stockholders, including the two proposals set forth in this Proxy Statement as well as approvals of mergers or other business combinations.

The following table sets forth as of May 30, 2019, certain information with respect to the beneficial ownership of the Class A Common Stock as to (i) each person known by the Company to beneficially own more than 5% of the outstanding shares of the Company's Class A Common Stock, (ii) each of the Company's directors, (iii) each of the Company's Chief Executive Officer, its two other most highly compensated individuals who were serving as executive officers at the end of the Last Fiscal Year, and two other individuals who would have been the other most highly compensated individuals but were not serving as executive officers at the end of the Last Fiscal Year, for services rendered in all capacities during the Last Fiscal Year (the "Named Executive Officers"), and (iv) all of the Company's directors and executive officers as a group.

CLASS A COMMON STOCK

Name (a)	Shares Beneficially Owned (b)		
	Number		Percent
Christopher J. McGurk	1,495,925	(c)	4.1%
Gary S. Loffredo	203,479	(d)	*
Erick Opeka	132,705	(e)	*
Jeffrey S. Edell	100,000	(f)	*
William S. Sondheim	118,000	(g)	*
Peter C. Brown	196,114	(h)	*
Peng Jin	74,712		*
Patrick W. O'Brien	155,914		*
Zvi M. Rhine	327,736	(i)	*
Peixin Xu	21,141,379	(j)	56.9%
Bison Capital Holding Company Limited	21,066,667	(k)	56.7%
All directors and executive officers as a group (8 persons)	23,727,964	(l)	62.5%

(a) Unless otherwise indicated, the business address of each person named in the table is c/o Cinedigm Corp., 45 West 36th Street, 7th Floor, New York, New York 10018.

(b) Applicable percentage of ownership is based on 35,723,638 shares of Class A Common Stock outstanding as of May 30, 2019 together with all applicable options, warrants and other securities convertible into shares of our Class A Common Stock for such stockholder. Beneficial ownership is determined in accordance with the rules of the SEC, and includes voting and investment power with respect to shares. Shares of Class A Common Stock subject to options, warrants or other convertible securities exercisable within 60 days after May 30, 2019 are deemed outstanding for computing the percentage ownership of the person holding such options, warrants or other convertible securities, but are not deemed outstanding for computing the percentage of any other person. Except as otherwise noted, the named beneficial owner has the sole voting and investment power with respect to the shares of Class A Common Stock shown. Certain information is based on the numbers of shares reported in the most recent Schedule 13D or Schedule 13G, as amended, as applicable, filed by stockholders with the SEC through May 30, 2019 and information provided by holders or otherwise known to the Company.

(c) Includes (i) 600,000 shares of Class A Common Stock underlying currently exercisable options and (ii) 51,852 shares of Class A Common Stock underlying currently exercisable stock appreciation rights.

(d) Includes 84,479 shares of Class A Common Stock underlying currently exercisable options.

(e) Includes 12,000 shares of Class A Common Stock underlying currently exercisable options and (ii) 45,705 shares of Class A Common Stock underlying currently exercisable stock appreciation rights.

(f) To the best knowledge of the Company. Mr. Edell's employment with the Company ended on February 28, 2019.

(g) To the best knowledge of the Company. Mr. Sondheim's employment with the Company ended on March 29, 2019. Includes 25,000 shares of Class A Common Stock underlying currently exercisable options.

(h) Includes 92,067 shares owned by Grassmere Partners LLC, of which Mr. Brown is Chairman. Mr. Brown disclaims beneficial ownership of such shares except to the extent of any pecuniary interest therein.

(i) Mr. Rhine is the Principal of Sabra Investments, LP and Sabra Capital Partners, LLC. Includes 175,336 shares of Class A Common Stock owned directly, 145,000 shares of Class A Common Stock owned by Sabra Investments, LP, and 7,400 shares of Class A Common Stock owned by Sabra Capital Partners, LLC.

(j) Includes (i) 74,712 shares of Class A Common Stock owned directly, (ii) 19,666,667 shares of Class A Common Stock owned by Bison Entertainment Investment Limited ("BEIL"), and (iii) 1,400,000 shares of Class A Common Sock subject to issuance upon exercise of currently exercisable warrants owned by Bison Entertainment and Media Group ("BEMG"). BEIL is wholly-owned by BEMG, which is wholly-owned by Bison Capital Holding Company Limited. Mr. Xu's spouse, Fengyun Jiang, is the sole owner of Bison Capital Holding Company Limited.

(k) Includes (i) 19,666,667 shares of Class A Common Stock owned by BEIL and (ii) 1,400,000 shares of Class A Common Sock subject to issuance upon exercise of currently exercisable warrants owned by BEMG. BEIL is wholly-owned by BEMG, which is wholly-owned by Bison Capital Holding Company Limited. Fengyun Jiang is the sole owner of Bison Capital Holding Company Limited. The business address of Bison Capital Holding Company Limited is 609-610 21st Century Tower, No. 40 Liangmaqiao Road, Chaoyang District, Beijing, China, 100016.

(l) Includes (i) 721,479 shares of Class A Common Stock underlying currently exercisable options, (ii) 97,557 shares of Class A Common Stock underlying currently exercisable stock appreciation rights and (iii) 1,400,000 shares of Class A Common Stock subject to issuance upon exercise of currently exercisable warrants.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Related Party Transactions

The Audit Committee, pursuant to its charter, is responsible for the review and oversight of all related party transactions and other potential conflict of interest situations, by review in advance or ratification afterward. The Audit Committee charter does not set forth specific standards to be applied; rather, the Audit Committee reviews each transaction individually on a case-by-case, facts and circumstances basis.

On December 29, 2017, the Company entered into a term loan agreement (the "2017 Loan Agreement") with BEMG, pursuant to which the Company borrowed from BEMG $10.0 million (the "2017 Loan"). The 2017 Loan bears interest at 5% per annum. The 2017 Loan was made in accordance with the Bison Agreement. In connection with the 2017 Loan, on December 29, 2017, the Company issued to BEMG a warrant (the "Bison Warrant") to purchase 1,400,000 shares of the Company's Class A common stock. The Bison Warrant has a 5-year term and is immediately exercisable at $1.80 per share. The Bison Warrant contains certain anti-dilution adjustments. Fengyan Jiang, the spouse of Peixin Xu, one of our directors, is the sole indirect owner of BEMG. On July 20, 2018, the Company entered into a termination agreement with respect to the 2017 Loan, and an amount equal to the outstanding principal and accrued and unpaid interest thereon was paid in full, and the 2017 Loan Agreement was terminated, on July 23, 2018. During the fiscal year ended March 2019, with respect to the 2017 Loan, (i) the largest aggregate amount of principal outstanding was $10.0 million , (ii) $10.0 million of principal was paid, and (iii) $153 thousand of interest was paid; as of March 31, 2019, no principal amount was outstanding on the 2017 Loan.

On July 20, 2018, the Company entered into a term loan agreement (the "2018 Loan Agreement") with Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1 ("Bison Global"), pursuant to which the Company borrowed from Bison Global $10.0 million (the "2018 Loan"). The 2018 Loan has a one (1) year term that may be extended by mutual agreement of Bison Global and the Company and bears interest at 5% per annum, payable quarterly in cash. The principal is payable upon maturity. The proceeds of the 2018 Loan were used to prepay the 2017 Loan. The 2018 Loan is evidenced by a note dated as of July 20, 2018. On July 20, 2018, the Corporation also entered into a side letter with BEMG, pursuant to which BEMG agreed to make immediate payment directly to Bison Global of any amount due if (i) the 2018 Loan matures prior to June 28, 2021 or (ii) Bison Global demands payment of the 2018 Loan, in whole or in part, by the Lender prior to maturity. Fengyan Jiang, the spouse of Peixin Xu, one of our directors, is the sole indirect owner of Bison Global and the sole indirect owner of BEMG. During the fiscal year ended March 2019, with respect to the 2018 Loan, (i) the largest aggregate amount of principal outstanding was $10.0 million, (ii) no principal was paid, and (iii) $351 thousand of interest was paid; as of March 31, 2019, $10.0 million principal amount was outstanding on the 2018 Loan. On July 12, 2019, the Company and Bison Global entered into a termination agreement (the "Termination Agreement") with respect to the 2018 Loan. Pursuant to the Termination Agreement, an amount equal to the outstanding principal amount was converted into a convertible note, and the accrued and unpaid interest on such outstanding principal amount was to be payable to Bison Global no later than September 30, 2019. As such, the 2018 Loan was paid in full, and the 2018 Loan Agreement was terminated. No early payment penalties were incurred.

On July 12, 2019, the Company issued a subordinated convertible note (the "Bison Convertible Note") to Bison Global pursuant to which the Company borrowed from Bison Global $10.0 million. The Bison Convertible Note has a term ending on March 4, 2020, and bears interest at 5% per annum. The principal is payable upon maturity, in cash or in shares of Common Stock at the Company's election. The Bison Convertible Note is unsecured and may be prepaid without premium or penalty, and contains customary covenants, representations and warranties. The Bison Convertible Note is convertible, in whole or in part from time to time, into shares of Common Stock at the holder's election or at the Company's election. Upon conversion, the Company may elect to settle such conversion with shares of Common Stock or a combination of cash and shares of Common Stock. At maturity, the Company may elect to pay in cash or shares of Common Stock. The proceeds of the Convertible Note were used to repay the 2018 Loan.

Zvi Rhine, a member of our Board of Directors, was a holder, directly and indirectly, of an aggregate of $0.5 million of unsecured subordinated notes bearing interest at 9% per annum (the "Subordinated Notes"). In October 2018, the Subordinated Notes were repaid in full. During the fiscal year ended March 2019, in connection with Mr. Rhine's Subordinated Notes, (i) the largest aggregate amount of principal outstanding was $0.5 million, (ii) $0.5 million of principal was paid, and (iii) $21 thousand of interest was paid; as of March 31, 2019, Mr. Rhine held no Subordinated Notes.

On July 9, 2019, the Company entered into the Stock Purchase Agreement with BEMG, an affiliate of Bison Capital Holding Company Limited, which, through an affiliate, is the majority holder of our Class A common stock, pursuant to which the Company agreed to sell to BEMG a total of 2,000,000 shares of SPA Shares, for an aggregate purchase price in cash of $3.0

million priced at $1.50 per share. The sale of the SPA Shares was consummated on July 9, 2019. The SPA Shares are subject to certain transfer restrictions. The proceeds of the sale of the SPA Shares sold were used for working capital, including the repayment of Second Lien Loans (as defined in Note 5 - *Notes Payable*). In addition, the Company has agreed to enter into a registration rights agreement for the resale of the SPA Shares. Fengyan Jiang, the spouse of Peixin Xu, one of our directors, is the sole indirect owner of BEMG.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee oversees the Company's financial reporting process on behalf of the Board. In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with management the audited financial statements in the Form 10-K, including a discussion of the acceptability of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements.

The Audit Committee reviewed and discussed with the independent registered public accounting firm, which is responsible for expressing an opinion on the conformity of those audited financial statements with the standards of the Public Company Accounting Oversight Board, the matters required to be discussed by Statements on Auditing Standards (SAS 61), as may be modified or supplemented, and their judgments as to the acceptability of the Company's accounting principles and such other matters as are required to be discussed with the Audit Committee under the standards of the Public Company Accounting Oversight Board.

In addition, the Audit Committee has discussed with the independent registered public accounting firm their independence from management and the Company, including receiving the written disclosures and letter from the independent registered public accounting firm as required by the Independence Standards Board Standard No. 1, as may be modified or supplemented, and has considered the compatibility of any non-audit services with the auditors' independence.

The Audit Committee discussed with the Company's independent registered public accounting firm the overall scope and plans for their audit. The Audit Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of their examinations and the overall quality of the Company's financial reporting.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board, and the Board approved, that the audited financial statements be included in the Form 10-K for the year ended March 31, 2019 for filing with the SEC.

Respectfully submitted,

The Audit Committee of the Board of Directors

Zvi M. Rhine, Chairman
Peter C. Brown
Patrick W. O'Brien

THE FOREGOING AUDIT COMMITTEE REPORT SHALL NOT BE "SOLICITING MATERIAL" OR BE DEEMED "FILED" WITH THE SEC, NOR SHALL SUCH INFORMATION BE INCORPORATED BY REFERENCE INTO ANY FILING UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE EXCHANGE ACT, EXCEPT TO THE EXTENT THE COMPANY SPECIFICALLY INCORPORATES IT BY REFERENCE INTO SUCH FILING.

EisnerAmper LLP served as the independent registered public accounting firm to audit the Company's consolidated financial statements since the fiscal year ended March 31, 2005 and the Board has appointed EisnerAmper LLP to do so again for the fiscal year ending March 31, 2020 .

The Company's Audit Committee has adopted policies and procedures for pre-approving all non-audit work performed by EisnerAmper LLP for the fiscal years ended March 31, 2019 and 2018 . In determining whether to approve a particular audit or permitted non-audit service, the Audit Committee will consider, among other things, whether the service is consistent with maintaining the independence of the independent registered public accounting firm. The Audit Committee will also consider whether the independent registered public accounting firm is best positioned to provide the most effective and efficient service to our Company and whether the service might be expected to enhance our ability to manage or control risk or improve audit quality. Specifically, the Audit Committee has pre-approved the use of EisnerAmper LLP for detailed, specific types of services within the following categories of non-audit services: acquisition due diligence and audit services; tax services; and reviews and procedures that the Company requests EisnerAmper LLP to undertake on matters not required by laws or regulations. In each case, the Audit Committee has required management to obtain specific pre-approval from the Audit Committee for any engagements.

The aggregate fees billed for professional services by EisnerAmper LLP for these various services were:

	For the fiscal years ended March 31,	
Type of Fees	**2019**	**2018**
(1) Audit Fees	$ 368,000	$ 378,600
(2) Audit-Related Fees	—	—
(3) Tax Fees	—	—
(4) All Other Fees	—	11,000
	$ 368,000	$ 389,600

In the above table, in accordance with the SEC's definitions and rules, "audit fees" are fees the Company paid EisnerAmper LLP for professional services for the audit of the Company's consolidated financial statements for the fiscal years ended March 31, 2019 and 2018 included in Form 10-K and review of consolidated financial statements incorporated by reference into Form S-3 and Form S-8 and included in Form 10-Qs and for services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements; "audit-related fees" are fees for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements; "tax fees" are fees for tax compliance, tax advice and tax planning; and "all other fees" are fees for any services not included in the first three categories. All of the services set forth in sections (1) through (4) above were approved by the Audit Committee in accordance with the Audit Committee Charter.

For the fiscal years ended March 31, 2019 and 2018, the Company retained a firm other than EisnerAmper LLP for tax compliance, tax advice and tax planning.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements
See Index to Financial Statements on page 39 herein.

(a)(2) Financial Statement Schedules
None.

(a)(3) Exhibits
The exhibits are listed in the Exhibit Index beginning on page 67 herein.

EXHIBIT INDEX

Exhibit Number		Description of Document
2.1	-	Agreement and Plan of Merger dated as of March 14, 2019 among the Company, Future Today Inc ("Future Today"), Alok Ranjan and Vikrant Mathur (individually and as Stockholder Representative) and the Company Stockholders identified therein.*
3.1	-	Fifth Amended and Restated Certificate of Incorporation of the Company. (34)
3.2	-	Amended and Restated Bylaws of the Company, as amended. (21)
4.1	-	Specimen certificate representing Class A common stock. (1)
4.2	-	Specimen certificate representing Series A Preferred Stock. (7)
4.3	-	Limited Recourse Pledge Agreement, dated as of February 28, 2013, made by Cinedigm Digital Cinema Corp. in favor of Prospect Capital Corporation, as Collateral Agent. (16)
4.4	-	Guaranty, Pledge and Security Agreement, dated as of February 28, 2013, made by Cinedigm DC Holdings, LLC, Access Digital Media, Inc. and Access Digital Cinema Phase 2, Corp., in favor of Prospect Capital Corporation, as Collateral Agent. (16)
4.5	-	Limited Recourse Guaranty Agreement, dated as of February 28, 2013, made by Cinedigm Digital Cinema Corp. in favor of Prospect Capital Corporation, as Collateral Agent and as Administrative Agent. (16)
4.6	-	Note issued on July 20, 2018. (41)
4.7	-	Note issued on October 9, 2018. (40)
4.8	-	Form of Note issued on October 21, 2013. (18)
4.9	-	Form of Warrant issued on October 21, 2013. (18)
4.10	-	Guaranty Agreement, dated as of July 14, 2016, among the Guarantors and in favor of Cortland Capital Market Services LLC, as Administrative and Collateral Agent. (27)
4.11	-	Second Lien Security Agreement, dated as of July 14, 2016, among the Company, Loan Parties signatory thereto, certain Subsidiaries of the Company and Cortland Capital Market Services LLC, as Administrative and Collateral Agent. (27)
4.12	-	Warrant issued on July 14, 2016. (27)
4.13	-	Guaranty and Security Agreement, dated as of October 18, 2011, among Cinedigm Digital Funding 2, LLC, each Grantor from time to time party thereto, in favor of Société Générale, New York Branch, as Collateral Agent. (14)
4.14	-	Security Agreement, dated as of October 18, 2011, between CHG-MERIDIAN U.S. Finance, Ltd. And Société Générale, New York Branch, as Collateral Agent. (34)
4.15	-	Security Agreement, dated as of October 18, 2011, among CDF2 Holdings, LLC and each Grantor from time to time party thereto and Société Générale, New York Branch, as Collateral Agent for the Lenders and each other Secured Party. (14)
4.16	-	Security Agreement, dated as of October 18, 2011, among CDF2 Holdings, LLC and each Grantor from time to time party thereto and Société Générale, New York Branch, as Collateral Agent for CHG-Meridian U.S. Finance, Ltd. And any other CHG Lease Participants. (14)
4.17	-	Pledge Agreement, dated as of October 18, 2011, between Access Digital Cinema Phase 2 Corp. and Société Générale, New York Branch, as Collateral Agent. (14)
4.18	-	Pledge Agreement, dated as of October 18, 2011, between CDF2 Holdings, LLC and Société Générale, New York Branch, as Collateral Agent. (14)
4.19	-	Form of Warrant issued on December 23, 2016. (29)
4.20	-	Note issued on December 29, 2017. (36)
4.21	-	Warrant issued on December 29, 2017. (36)
4.22	-	Trademark Security Agreement dated as of March 30, 2018 by and between the Company and East West Bank. (37)
4.23	-	Trademark Security Agreement dated as of March 30, 2018 by and between Cinedigm Entertainment Corp. and East West Bank. (37)
4.24		Trademark Security Agreement dated as of March 30, 2018 by and between Vistachiara Productions, Inc. and East West Bank. (37)
4.25	-	Copyright Security Agreement dated as of March 30, 2018 by and between the Company and East West Bank. (37)

Exhibit Number		Description of Document
4.26	-	Copyright Security Agreement dated as of March 30, 2018 by and between Cinedigm Home Entertainment, LLC and East West Bank. (37)
4.27	-	Copyright Security Agreement dated as of March 30, 2018 by and between Cinedigm Entertainment Corp. and East West Bank. (37)
4.28	-	Copyright Security Agreement dated as of March 30, 2018 by and between Vistachiara Productions, Inc. and East West Bank. (37)
4.29	-	Patent Security Agreement dated as of March 30, 2018 by and between the Company and East West Bank. (37)
4.30	-	Description of Securities*
4.31	-	Convertible Subordinated Promissory Note dated July 12, 2019. (43)
4.32	-	Trademark Security Agreement dated as of July 3, 2019 by and between Comic Blitz II LLC and East West Bank. (43)
10.1	-	Second Lien Loan Agreement, dated as of July 14, 2016, among the Company, the lenders party thereto and Cortland Capital Market Services LLC, as Administrative and Collateral Agent. (27)
10.1.1	-	First Amendment to Second Lien Loan Agreement, dated as of August 4, 2016, among the Company, the lender party thereto and Cortland Capital Market Services Inc. as Administrative and Collateral Agent. (26)
10.1.2	-	Second Amendment to Second Lien Loan Agreement, dated as of October 7, 2016, among the Company, the lenders party thereto and Cortland Capital Market Services LLC, as Administrative and Collateral Agent. (23)
10.1.3	-	Third Amendment to Second Lien Loan Agreement, dated as of March 31, 2017, among the Company, the lenders party thereto and Cortland Capital Market Services Inc. as Administrative and Collateral Agent. (31)
10.1.4	-	Consent dated June 28, 2019 to Second Lien Loan Agreement among the Company, the lenders party thereto and Cortland Capital Market Services Inc. as Administrative and Collateral Agent. (43)
10.2†	-	Second Amended and Restated 2000 Equity Incentive Plan of the Company. (3)
10.2.1†	-	Amendment dated May 9, 2008 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (5)
10.2.2†	-	Form of Notice of Restricted Stock Award. (3)
10.2.3†	-	Form of Non-Statutory Stock Option Agreement. (4)
10.2.4†	-	Form of Restricted Stock Unit Agreement (employees). (5)
10.2.5†	-	Form of Stock Option Agreement. (2)
10.2.6†	-	Form of Restricted Stock Unit Agreement (directors). (5)
10.2.7†	-	Amendment No. 2 dated September 4, 2008 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (6)
10.2.8†	-	Amendment No. 3 dated September 30, 2009 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (8)
10.2.9†	-	Amendment No. 4 dated September 14, 2010 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (12)
10.2.10†	-	Amendment No. 5 dated April 20, 2012 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (13)
10.2.11†	-	Amendment No. 6 dated September 12, 2012 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (15)
10.2.12†	-	Amendment No. 7 dated September 16, 2014 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (19)
10.2.13†	-	Amendment No. 8 dated September 8, 2016 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (24)
10.2.14†	-	Amendment No. 9 dated September 27, 2016 to the Second Amended and Restated 2000 Equity Incentive Plan of the Company. (25)
10.3†	-	Cinedigm Corp. Management Incentive Award Plan. (9)

Exhibit Number		Description of Document
10.4†	-	Form of Indemnification Agreement for non-employee directors. (10)
10.5†	-	Amended and Restated Employment Agreement between Cinedigm Corp. and Jeffrey S. Edell dated as of November 1, 2015. (22)
10.6†	-	2017 Equity Incentive Plan of the Company. (32)
10.6.1†	-	Form of Notice of Incentive Stock Option Grant. (33)
10.6.2†	-	Form of Notice of Option Grant. (33)
10.6.3†	-	Form of Notice of Restricted Stock Award. (33)
10.6.4†	-	Form of Notice of Restricted Stock Unit Award. (33)
10.6.5†	-	Form of Notice of Performance-Based Restricted Stock Award. (35)
10.6.6†	-	Form of Notice of Stock Appreciation Right Grant (revised). (39)
10.7†	-	Employment Agreement between Cinedigm Corp. and William Sondheim dated as of December 4, 2014. (20)
10.7.1†	-	Employment Consulting Agreement between Cinedigm Corp. and William Sondheim dated as of March 29, 2019.*
10.8	-	Registration Rights Agreement, dated as of August 4, 2016, among the Company and the holders party thereto. (26)
10.9	-	Amendment No. 1 to Settlement Agreement, dated as of July 14, 2016, among the Company, Ronald L. Chez, the Chez Family Foundation, Sabra Investments, LP, Sabra Capital Partners, LLC, and Zvi Rhine. (27)
10.10	-	Term Loan Agreement, dated as of February 28, 2013, by and among Cinedigm DC Holdings, LLC, Access Digital Media, Inc., Access Digital Cinema Phase 2, Corp., the Guarantors party thereto, the Lenders party thereto and Prospect Capital Corporation as Administrative Agent and Collateral Agent. (16) (Confidential treatment granted under Rule 24b-2 as to certain portions which are omitted and filed separately with the SEC.)
10.11	-	Term Loan Agreement, dated as of July 20, 2018, by and between the Company and Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1 SP. (41)
10.11.1	-	Loan Termination Agreement dated as of July 12, 2019 between Cinedigm Corp. and Bison Global Investment SPC for and on behalf of Global Investment SPC-Bison Global No. 1. (43)
10.12	-	Side Letter dated as of July 20, 2018 between the Company and Bison Entertainment and Media Group (41)
10.13	-	Strategic Advisor Agreement between Cinedigm Corp. and Ronald L. Chez dated as of April 3, 2017. (30)
10.14	-	Lease for 45 W. 36th Street, New York, NY, dated as of April 10, 2017 between 45 West 36th Street LLC and Cinedigm Corp., together with Sublease for 45 W. 36th Street, New York, NY, dated as of April 10, 2017 between NTT Data, Inc. and Cinedigm Corp. (31)
10.15	-	Lease for 15301 Ventura Boulevard, Sherman Oaks, CA, dated as of January 4, 2017 between Douglas Emmett 2016 and Cinedigm Corp. (31)
10.16	-	Securities Purchase Agreement, dated October 17, 2013, among Cinedigm Corp. and the Purchasers party thereto. (18)
10.17	-	Common Stock Purchase Agreement, dated October 17, 2013, among Cinedigm Corp. and the Purchasers party thereto. (18)
10.18†	-	Amended and Restated Employment Agreement between Cinedigm Digital Cinema Corp. and Christopher J. McGurk dated as of August 22, 2013. (17)
10.18.1†	-	Amendment to Amended and Restated Employment Agreement between Cinedigm Corp. and Christopher J. McGurk dated as of January 4, 2017. (28)
10.18.2†	-	Amendment No. 2 to Amended and Restated Employment Agreement between Cinedigm Corp. and Christopher J. McGurk dated as of June 7, 2018. (38)
10.19†	-	Stock Option Agreement between Cinedigm Digital Cinema Corp. and Christopher J. McGurk dated as of December 23, 2010. (11)
10.20	-	Credit Agreement, dated as of October 18, 2011, among Cinedigm Digital Funding 2, LLC, as the Borrower, Société Générale, New York Branch, as Administrative Agent and Collateral Agent, Natixis New York Branch, as Syndication Agent, ING Capital LLC, as Documentation Agent, and the Lenders party thereto. (14)

Exhibit Number		Description of Document
10.21	-	Multiparty Agreement, dated as of October 18, 2011, among Cinedigm Digital Funding 2, LLC, as Borrower, Access Digital Cinema Phase 2, Corp., CDF2 Holdings, LLC, Cinedigm Digital Cinema Corp., CHG-MERIDIAN U.S. Finance, Ltd., Société Générale, New York Branch, as Senior Administrative Agent and Ballantyne Strong, Inc., as Approved Vendor. (14)
10.22	-	Master Equipment Lease No. 8463, effective as of October 18, 2011, by and between CHG- MERIDIAN U.S. Finance, Ltd. And CDF2 Holdings, LLC. (14)
10.23	-	Master Equipment Lease No. 8465, effective as of October 18, 2011, by and between CHG-MERIDIAN U.S. Finance, Ltd. And CDF2 Holdings, LLC. (14)
10.24	-	Sale and Leaseback Agreement, dated as of October 18, 2011, by and between CDF2 Holdings, LLC and CHG-MERIDIAN U.S. Finance, Ltd. (14)
10.25	-	Sale and Contribution Agreement, dated as of October 18, 2011, among Cinedigm Digital Cinema Corp., Access Digital Cinema Phase 2, Corp., CDF2 Holdings, LLC and Cinedigm Digital Funding 2, LLC. (14)
10.26	-	Registration Rights Agreement, dated as of November 1, 2017, between the Company and the purchasers listed on Schedule I therein. (34)
10.27	-	Form of Voting Agreement. (34)
10.28	-	Term Loan Agreement, dated as of December 29, 2017, by and between the Company and Bison Entertainment and Media Group. (36)
10.28.1	-	Loan Termination Agreement, dated as of July 20, 2018, by and between the Company and Bison Entertainment and Media Group. (41)
10.29	-	Loan, Security and Guaranty Agreement, dated as of March 30, 2018, by and between the Company, East West Bank and the Guarantors named therein. (37)
10.29.1	-	Amendment No. 2 to Loan, Guaranty and Security Agreement dated as of July 3, 2019 by and between the Company, East West Bank and the Guarantors named therein. (43)
10.30†	-	Employment Agreement between Cinedigm Corp. and Gary S. Loffredo dated as of October 13, 2013. (42)
10.30.1†	-	Letter of Promotion between Cinedigm Corp. and Gary S. Loffredo dated as of February 28, 2019.*
10.31†	-	Employment Agreement between Cinedigm Corp. and Erick Opeka dated as of September 15, 2018.*
10.32	-	Stock Purchase Agreement dated as of July 9, 2019 between Cinedigm Corp. and Bison Entertainment and Media Group. (43)
10.33	-	Support Letter dated July 10, 2019 from Bison Entertainment and Media Group.*
21.1	-	List of Subsidiaries.*
23.1	-	Consent of EisnerAmper LLP.*
24.1	-	Powers of Attorney.* (Contained on signature page)
31.1	-	Officer's Certificate Pursuant to 15 U.S.C. Section 7241, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (44)
31.2	-	Officer's Certificate Pursuant to 15 U.S.C. Section 7241, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.(44)
32.1	-	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	-	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

* Filed herewith.
† Management compensatory arrangement.

Documents Incorporated Herein by Reference:
(1) Previously filed with the Securities and Exchange Commission on November 4, 2003 as an exhibit to the Company's Amendment No. 3 to Registration Statement on Form SB-2 (File No. 333-107711).
(2) Previously filed with the Securities and Exchange Commission on April 25, 2005 as an exhibit to the Company's
Registration Statement on Form S-8 (File No. 333-124290).

(3) Previously filed with the Securities and Exchange Commission on September 24, 2007 as an exhibit to the Company's Form 8-K (File No. 000-51910).
(4) Previously filed with the Securities and Exchange Commission on April 3, 2008 as an exhibit to the Company's Form 8-K (File No. 000-51910).
(5) Previously filed with the Securities and Exchange Commission on May 14, 2008 as an exhibit to the Company's Form 8-K (File No. 000-51910).
(6) Previously filed with the Securities and Exchange Commission on September 10, 2008 as an exhibit to the Company's Form 8-K (File No. 000-51910).
(7) Previously filed with the Securities and Exchange Commission on February 9, 2009 as an exhibit to the Company's Form 8-K (File No. 000-51910).
(8) Previously filed with the Securities and Exchange Commission on October 6, 2009 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(9) Previously filed with the Securities and Exchange Commission on October 27, 2009 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(10) Previously filed with the Securities and Exchange Commission on September 21, 2009 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(11) Previously filed with the Securities and Exchange Commission on January 3, 2011 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(12) Previously filed with the Securities and Exchange Commission on September 16, 2010 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(13) Previously filed with the Securities and Exchange Commission on April 24, 2012 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(14) Previously filed with the Securities and Exchange Commission on October 24, 2011 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(15) Previously filed with the Securities and Exchange Commission on September 14, 2012 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(16) Previously filed with the Securities and Exchange Commission on March 4, 2013 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(17) Previously filed with the Securities and Exchange Commission on August 28, 2013 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(18) Previously filed with the Securities and Exchange Commission on October 23, 2013 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(19) Previously filed with the Securities and Exchange Commission on September 17, 2014 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(20) Previously filed with the Securities and Exchange Commission on February 12, 2015 as an exhibit to the Company's Form 10-Q for the quarter ended December 31, 2014 (File No. 001-31810).
(21) Previously filed with the Securities and Exchange Commission on August 12, 2015 as an exhibit to the Company's Form 10-Q for the quarter ended June 30, 2015 (File No. 001-31810).
(22) Previously filed with the Securities and Exchange Commission on November 5, 2015 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(23) Previously filed with the Securities and Exchange Commission on November 7, 2016 as an exhibit to the Company's Registration Statement on Form S-1 (File No. 333-214486).
(24) Previously filed with the Securities and Exchange Commission on September 8, 2016 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(25) Previously filed with the Securities and Exchange Commission on September 28, 2016 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(26) Previously filed with the Securities and Exchange Commission on August 15, 2016 as an exhibit to the Company’s Form 10-Q (File No. 001-31810).
(27) Previously filed with the Securities and Exchange Commission on July 19, 2016 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(28) Previously filed with the Securities and Exchange Commission on January 10, 2017 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(29) Previously filed with the Securities and Exchange Commission on December 23, 2016 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(30) Previously filed with the Securities and Exchange Commission on April 7, 2017 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(31) Previously filed with the Securities and Exchange Commission on June 29, 2017 as an exhibit to the Company's Form 10-K (File No. 001-31810).

(32) Previously filed with the Securities and Exchange Commission on September 1, 2017 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(33) Previously filed with the Securities and Exchange Commission on October 2, 2017 as an exhibit to the Company's Registration Statement on Form S-8 (File No. 333-220773).
(34) Previously filed with the Securities and Exchange Commission on November 6, 2017 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(35) Previously filed with the Securities and Exchange Commission on November 16, 2017 as an exhibit to the Company's Form 10-Q (File No. 001-31810).
(36) Previously filed with the Securities and Exchange Commission on January 2, 2018 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(37) Previously filed with the Securities and Exchange Commission on April 4, 2018 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(38) Previously filed with the Securities and Exchange Commission on June 11, 2018 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(39) Previously filed with the Securities and Exchange Commission on December 7, 2018 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(40) Previously filed with the Securities and Exchange Commission on October 12, 2018 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(41) Previously filed with the Securities and Exchange Commission on November 14, 2018 as an exhibit to the Company's Form 10-Q (File No. 001-31810).
(42) Previously filed with the Securities and Exchange Commission on October 17, 2013 as an exhibit to the Company's Form 8-K (File No. 001-31810).
(43) Previously filed with the Securities and Exchange Commission on July 15, 2018 as an exhibit to the Company's Form 8-K (File No. 001-31810).

SIGNATURES

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

CINEDIGM CORP.

Date:	July 15, 2019	By:	/s/ Christopher J. McGurk
			Christopher J. McGurk Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)
Date:	July 15, 2019	By:	/s/ Gary Loffredo
			Chief Operating Officer, President Digital Cinema, General Counsel and Secretary (Principal Financial Officer)

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each individual whose signature appears below hereby constitutes and appoints Christopher J. McGurk and Gary S. Loffredo, and each of them individually, his or her true and lawful agent, proxy and attorney-in-fact, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to (i) act on, sign and file with the Securities and Exchange Commission any and all amendments to this Report together with all schedules and exhibits thereto, (ii) act on, sign and file with the Securities and Exchange Commission any and all exhibits to this Report and any and all exhibits and schedules thereto, (iii) act on, sign and file any and all such certificates, notices, communications, reports, instruments, agreements and other documents as may be necessary or appropriate in connection therewith and (iv) take any and all such actions which may be necessary or appropriate in connection therewith, granting unto such agents, proxies and attorneys-in-fact, and each of them individually, full power and authority to do and perform each and every act and thing necessary or appropriate to be done, as fully for all intents and purposes as he or she might or could do in person, and hereby approving, ratifying and confirming all that such agents, proxies and attorneys-in-fact, any of them or any of his, her or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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

SIGNATURE(S)	TITLE(S)	DATE
/s/ Christopher J. McGurk Christopher J. McGurk	Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	July 15, 2019
/s/ Gary Loffredo Gary Loffredo	Chief Operating Officer, President Digital Cinema, General Counsel and Secretary (Principal Financial Officer and Principal Accounting Officer)	July 15, 2019
/s/ Peter C. Brown Peter C. Brown	Director	July 15, 2019
/s/ Patrick O'Brien Patrick O'Brien	Director	July 15, 2019
/s/ Zvi Rhine Zvi Rhine	Director	July 15, 2019
 Peixin Xu	Director	
 Peng Jin	Director	

AGREEMENT AND PLAN OF MERGER

among

CINEDIGM CORP.

C&F MERGER SUB, INC.

ALOK RANJAN and VIKRANT MATHUR, collectively, the FT STOCKHOLDERS

ALOK RANJAN and VIKRANT MATHUR, solely in their capacity as STOCKHOLDER REPRESENTATIVE

and

FUTURE TODAY INC

dated as of

March 14, 2019

TABLE OF CONTENTS

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (this " **Agreement** "), is entered into as of March 14, 2019, by and among Cinedigm Corp. a Delaware corporation (" **Parent** "), C&F Merger Sub, Inc., a Delaware corporation and wholly owned Subsidiary of Parent (" **Merger Sub** "), Alok Ranjan (" **Ranjan** "), Vikrant Mathur (" **Mathur** ," and together with Ranjan, the " **FT Stockholders** "), the holders of the capital stock of the Company indicated on Schedule 4.2 (collectively, including the FT Stockholders, the " **Company Stockholders** "), the Stockholder Representative, and Future Today Inc, a Delaware corporation (the " **Company** "). Capitalized terms used herein (including in the immediately preceding sentence) and not otherwise defined herein shall have the meanings set forth in Appendix A.

RECITALS

WHEREAS, the parties intend that Merger Sub be merged with and into the Company, with the Company surviving that merger on the terms and subject to the conditions set forth herein;

WHEREAS, the Board of Directors of Parent (the " **Parent Board** ") has: (a) determined that it is in the best interests of Parent and its shareholders, and declared it advisable, to enter into this Agreement; and (b) approved the execution, delivery, and performance of this Agreement and the consummation of the Transactions, including the Merger whereby each of the outstanding shares of common stock, no par value per share, of the Company (the " **Company Common Stock** "), outstanding immediately prior to the Effective Time will be converted into the right to receive the Merger Consideration;

WHEREAS, the Board of Directors of Merger Sub (the " **Merger Sub Board** ") has (a) determined that it is in the best interests of Merger Sub and its sole shareholder, and declared it advisable, to enter into this Agreement and (b) approved the execution, delivery, and performance of this Agreement and the consummation of the Transactions, including the Merger;

WHEREAS, Parent, as the sole shareholder of Merger Sub, has approved the execution, delivery and performance of this Agreement and the consummation of the Merger and the Transactions;

WHEREAS, the Parent Board has approved the issuance of shares of the Parent Common Stock to the Company Stockholders in connection with the Merger as a portion of the Merger Consideration, on the terms and subject to the conditions set forth in this Agreement (the " **Parent Stock Issuance** ");

WHEREAS, the Board of Directors of the Company (the " **Company Board** ") has: (a) determined that it is in the best interests of the Company and the Company Stockholders, and declared it advisable, to enter into this Agreement and (b) approved the execution, delivery, and performance of this Agreement and the consummation of the Transactions, including the Merger;

WHEREAS, all of the Company Stockholders have approved the execution, delivery and performance of this Agreement and the consummation of the Merger and the Transactions;

WHEREAS, at the Closing, Parent is incurring bridge debt and issuing equity (such bridge debt and equity, together with any permanent financing intended to refinance such bridge debt, the " **Financing** ") the proceeds of which will be used to (a) pay certain expenses related to the Transactions and (b) pay the cash portion of the Merger Consideration to the Company Stockholders; and

WHEREAS, the parties desire to make certain representations, warranties, covenants, and agreements in connection with the Merger and the Transactions and also to prescribe certain conditions to the Merger.

NOW, THEREFORE, in consideration of the foregoing and of the representations, warranties, covenants, and agreements contained in this Agreement, the parties, intending to be legally bound, agree as follows:

ARTICLE I
THE MERGER

Section 1.1 The Merger. Upon the terms and subject to the conditions set forth in this Agreement, and in accordance with the Delaware General Corporation Law (" **DGCL** "), at the Effective Time: (a) Merger Sub shall merge with and into the Company (the " **Merger** "); (b) the separate corporate existence of Merger Sub will cease; and (c) the Company will continue its corporate existence under the DGCL as the surviving entity in the Merger and a wholly owned Subsidiary of Parent (sometimes referred to herein as the " **Surviving Company** ").

Section 1.2 Closing. Upon the terms and subject to the conditions set forth in the Agreement, the closing of the Merger (the " **Closing** ") will take place at 12:00 p.m., New York City time, as soon as practicable (and, in any event, within two (2) Business Days) after the satisfaction or, to the extent permitted hereunder, waiver of all conditions to the Merger set forth in ARTICLE VI (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permitted hereunder, waiver of all such conditions), unless this Agreement has been terminated pursuant to its terms or unless another time or date is agreed to in writing by the parties hereto. The Closing shall be held at the offices of Kelley Drye & Warren, LLP, 101 Park Avenue, New York, NY 10178, by the exchange of .pdf versions of the signed documents, or electronically signed documents as permitted by applicable Law. The actual date of the Closing is hereinafter referred to as the " **Closing Date** ."

Section 1.3 Effective Time. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, Parent, Company, the FT Stockholders and Merger Sub will cause a certificate of merger, substantially in the form attached hereto as **Exhibit A** (the " **Certificate of Merger** ") to be executed, acknowledged, and filed with the Secretary of State of the State of Delaware in accordance with the relevant provisions of the DGCL and shall make all other filings or recordings and take all other actions required or appropriate under the DGCL or the Laws of any jurisdiction in which the Company or any of its Subsidiaries is qualified to do business or holds a Permit issued by a Governmental Authority, including without limitation any filings, recordings or actions that may be necessary or appropriate so that as of the Effective Time the Surviving Company and each Subsidiary of the Company may continue to engage in

the businesses in which the Company and each such Subsidiary was engaged immediately prior to the Effective Time in each jurisdiction in which the Company and each of its Subsidiaries engaged in business. The Merger will become effective at such time as the Certificate of Merger has been duly filed with, and received the endorsed approval of, the Secretary of State of the State of Delaware or at such later date or time as may be agreed by the Company and Parent in writing and specified in the Certificate of Merger in accordance with the DGCL (the effective time of the Merger being hereinafter referred to as the " **Effective Time** ").

Section 1.4 Effects of the Merger. The Merger shall have the effects set forth herein and in the applicable provisions of the DGCL. Without limiting the generality of the foregoing, and subject thereto, from and after the Effective Time, all property, rights, privileges, immunities, powers, franchises, licenses, and authority of each of the Company and Merger Sub shall vest in the Surviving Company, and all debts, liabilities, obligations, restrictions, and duties of each of the Company and Merger Sub shall become the debts, liabilities, obligations, restrictions, and duties of the Surviving Company.

Section 1.5 Merger Consideration. (a) The aggregate merger consideration to be paid by Parent to the Company Stockholders in respect of all of the Company Common Stock (the " **Merger Consideration** ") shall be the sum of (i) $45,000,000.00, as adjusted pursuant to Section 1.7 (the " **Cash Consideration** "), plus, (ii) subject to subsection (b) below, 10,000,000 shares of the Parent Common Stock (the " **Stock Consideration** ") (which for purposes of this Agreement have been valued at $1.50 per share), plus (iii) the Earn-Out Amount, if any. At the Closing, Parent shall (x) pay to each of the Company Stockholders for each share of Company Common Stock held by such Company Stockholder immediately prior to the Effective Time the Per Share Consideration portion of the Cash Consideration by wire transfer of immediately available funds to such bank account in the United States as each Company Stockholder shall designate in writing and (y) issue to each Company Stockholder for each share of Company Common Stock held by such Company Stockholder immediately prior to the Effective Time the Per Share Consideration of the maximum number of shares of the Stock Consideration that may be issued in accordance with Rule 14c-2(b) promulgated under the Exchange Act (the " **Closing Stock Consideration** "). The Parent shall issue to each Company Stockholder for each share of Company Common Stock held by such Company Stockholder immediately prior to the Effective Time the Per Share Consideration of the remaining shares of the Stock Consideration that were not issued at the Closing (the " **Post-Closing Stock Consideration** ") as soon as practicable in accordance with Rule 14c-2(b) promulgated under the Exchange Act. Any amounts paid by Parent pursuant to Section 1.8(a) shall be applied against and deducted from the Cash Consideration payable at the Closing in accordance with this Section 1.5(a).

(a) The Stock Consideration will be subject to adjustment or modification as follows: if there is a reverse stock split of the Parent Common Stock any time between the date of this Agreement and the Closing, the Stock Consideration shall be that number of shares of the Parent Common Stock equal to $15,000,000 divided by the volume weighted average price per share of the Common Stock on the Nasdaq Global Market for the 60 trading day period ending on last trading day immediately preceding the Closing Date, provided that if such reverse stock split occurs fewer than 60 days prior to such last trading day, the period shall be the period from the trading date immediately after the day on which such reverse stock split occurs and ending on the last trading day immediately preceding the Closing Date. If such a reverse stock split occurs between the date of this Agreement and the Closing Date, the number of shares comprising the Closing Stock Consideration shall be the maximum number of shares that may be issued at the Closing in accordance with Rule 14c-2(b) promulgated under the Exchange Act, and the Post-Closing Stock Consideration shall consist of the remaining number of shares comprising the Stock Consideration (and such remaining shares shall be adjusted or modified in the same manner as other shares of Parent Company Stock as though such remaining shares were issued and outstanding immediately prior to such reverse stock split).

(b) Within ninety days (90) after the end of each Earn-Out Period, Parent shall pay to each of the Company Stockholders, for each share of Company Common Stock held by such Company Stockholder immediately prior to the Effective Time, the Per Share Consideration of the earn-out amount (the " **Earn-Out Amount** ") (if any) for the applicable Earn-Out Period in accordance with Schedule 1.5(c).

(c) Parent, in its sole discretion, shall have the option of paying up to one-half of the Earn-Out Amount payable for any Earn-Out Period in Parent Common Stock with such Parent Common Stock being valued at the greater of $1.50 or the volume weighted average price per share of the Parent Common Stock on the Trading Market for the sixty (60) trading day period ending on the last trading day of such Earn-Out Period; provided, however, that (i) if the EBITDA for any of the Earn-Out Periods is equal to or greater than 130% of the applicable EBITDA Target for such Earn-Out Period as set forth in Schedule 1.5(c), or (ii) if at the time the Earn-Out Amount for an Earn-Out Period is payable in accordance with Section 1.5(c), the Parent Common Stock is not then listed for trading on a Trading Market, then the Earn-Out Amount for that Earn-Out Period shall be paid entirely in cash.

(d) The parties acknowledge and agree that the Earn-Out Amount represents consideration payable for the capital stock of the Company and not consideration for the services or the employment of any individuals.

Section 1.6 Closing Statement .

(a) In order to facilitate payment of the amounts referenced in Section 1.5, the Company shall deliver to Parent, not fewer than two (2) Business Days prior to the Closing Date, a statement (the " **Closing Statement** ") setting forth (i) the amount of any Company Transaction Expenses that will remain unpaid at the Closing Date and (ii) a calculation of the Closing Working Capital Ratio. The Closing Statement shall include the name of each Person to whom any Company Transaction Expenses are to be paid on the Closing Date pursuant to Section 1.8(a), the amount of each such payment and the payment instructions for each such Person.

(b) The Closing Statement shall be accompanied by evidence reasonably satisfactory to Parent that as of the Closing, the Working Capital Ratio will be not less than 1:1 and that the available free and unrestricted cash of the Company will be not less than Five Hundred Thousand Dollars ($500,000.00), exclusive of any amounts necessary to pay Company Transaction Expenses or any Indebtedness of the Company to be paid on the Closing Date pursuant to Section 1.8(a). The Closing Statement and such accompanying evidence shall be prepared (and the estimates, determinations and calculations contained therein shall be made) in accordance with this Agreement, including Section 1.8.

Section 1.7 Post-Closing Adjustment of Merger Consideration .

(a) Within one hundred and eighty (180) days after the Closing Date, Parent shall prepare and deliver to the Stockholder Representative, a post-closing statement (the " **Post-Closing Statement** ") setting forth Parent's calculation of the Working Capital Ratio as of the Closing Date (the " **Closing Working Capital Ratio** "). During the fifteen (15) day period after the Post-Closing Statement has been provided to the Stockholder Representative by Parent (the " **Review Period** ") the Stockholder Representative may dispute any of the items in the Post-Closing Statement by delivery of a written notice (the " **Dispute Notice** ") to Parent, which Dispute Notice shall provide reasonable detail concerning each item that the Stockholder Representative disputes in the Post-

Closing Statement, include reasonable support for each such position, and set forth the Stockholder Representative's determination of the Closing Working Capital Ratio. If the Stockholder Representative does not deliver to Parent a Dispute Notice prior to the expiration of the Review Period, the Company Stockholders shall be conclusively deemed to have waived any right to object to the Post-Closing Statement delivered by Parent and the Post-Closing Statement delivered by Parent shall be final, binding and conclusive upon Parent, the Company and the Company Stockholders. If the Stockholder Representative delivers a Dispute Notice to Parent prior to the expiration of the Review Period, then for a period of thirty (30) days after receipt by Parent of such Dispute Notice, Parent and the Stockholder Representative shall, acting in good faith and in a commercially reasonable manner, attempt to resolve the items disputed by the Stockholder Representative in such Dispute Notice. If Parent and the Stockholder Representative resolve all of the disputed items in such Dispute Notice during such thirty (30) day period, the Post-Closing Statement shall be revised to reflect such resolution, and as so revised shall be final, binding and conclusive upon Parent, the Company and the Company Stockholders. If the Stockholder Representative delivers a Dispute Notice to Parent prior to the expiration of the Review Period and Parent and the Stockholder Representative do not resolve all of the disputed items in such Dispute Notice within such thirty (30) day period, they shall jointly engage a nationally recognized accounting firm reasonably acceptable to both Parent and the Stockholder Representative (the " **Independent Accountants** ") (it being acknowledged that an objection to proposed Independent Accountants shall be reasonable if such accounting firm has previously provided services to Parent, the Company, any Subsidiary or Affiliate of any thereof or the Stockholder Representative during the preceding three-year period) and submit the disputed items to the Independent Accountants for resolution. The Independent Accountants shall act as experts and not arbiters and shall determine only those items on the Post-Closing Statement that continue to be disputed by Parent and the Stockholder Representative as of the time of engagement of the Independent Accountants. Promptly, but no later than thirty (30) days after such engagement, the parties shall cause the Independent Accountants to deliver a written report to Parent and the Stockholder Representative as to the proper treatment of the disputed items, and the Independent Accountants' determinations shall be final, binding and conclusive upon Parent, the Company and the Company Stockholders and the Post-Closing Statement shall be revised to reflect such resolution. The Post-Closing Statement, as finally determined in accordance with this Section 1.7(a), shall be conclusively deemed the " **Final Post-Closing Statement** " and shall be final, binding and conclusive upon Parent, the Company and the Company Stockholders. The Closing Working Capital Ratio set forth in the Final Post-Closing Statement is referred to herein as the " **Final Closing Working Capital Ratio** ." The fees and expenses of the Independent Accountants incurred in connection with the resolution of disputes pursuant to this Section 1.7(a) shall be borne entirely by (i) Parent, if the difference between Parent's calculation of Closing Working Capital Ratio and the Final Closing Working Capital Ratio exceeds by more than ten percent the difference between the Stockholder Representative's calculation of Closing Working Capital Ratio and the Final Closing Working Capital Ratio, and for purposes of this determination (A) Parent's "calculation of Closing Working Capital Ratio" shall be the Closing Working Capital Ratio set forth in the Post-Closing Statement (as adjusted to reflect any agreements on the Closing Working Capital Ratio reached by Parent and the Stockholder Representative prior to referring such dispute to the Independent Accountants) and (B) the Stockholder Representative's "calculation of Closing Working Capital Ratio" shall be the Closing Working Capital Ratio set forth in the Dispute Notice (as adjusted to reflect any agreements on the Closing Working Capital Ratio reached by Parent and the Stockholder Representative prior to referring such dispute to the Independent Accountants), (ii) by the Company Stockholders, if the difference between the Stockholder Representative's calculation of Closing Working Capital Ratio and the Final Closing Working Capital Ratio exceeds by more than ten percent the difference between the Company's calculation of Closing Working Capital Ratio and the Final Closing Working Capital Ratio, or (iii) otherwise, split equally between Parent and the Company Stockholders. For the purposes of determining whether the fees and expenses of the Independent Accountants are payable by a party pursuant to this Section 1.7(a), the Closing Working Capital Ratio (whether calculated by Parent or the Stockholder Representative) and the Final Closing Working Capital Ratio shall each be expressed as a percentage. For illustration purposes only, a Closing Working Capital Ratio of 1.2:1 shall be expressed for these purposes as 120%.

(b) Once the Final Closing Working Capital Ratio is determined pursuant to Section 1.7(a), the Merger Consideration shall be adjusted as follows. If the Final Closing Working Capital Ratio is less than 1:1, the Merger Consideration shall be decreased on a dollar-for-dollar basis in an amount that, when added to the final determination of Good Accounts Receivable, would be sufficient to cause the Closing Working Capital Ratio to be 1:1. If the Final Closing Working Capital Ratio exceeds 1:1, the Merger Consideration will be increased on a dollar-for-dollar basis in an amount that, when deducted from the final determination of Good Accounts Receivable, would be sufficient to cause the Closing Working Capital Ratio to be 1:1. If the Merger Consideration is so decreased, subject to Section 8.3(h) the Company Stockholders shall be jointly and severally liable to pay to Parent the amount of such decrease within thirty (30) days of determination of the Final Closing Working Capital Ratio. If the Merger Consideration is so increased, Parent shall pay to the Company Stockholders on a pro rata basis based on the number of shares of Company Common Stock owned immediately prior to the Effective Time, the amount of such increase within thirty (30) days of the determination of the Final Closing Working Capital Ratio. If any party fails to pay any amount when due under this Section 1.7(b), such unpaid amount shall thereafter bear simple interest at a rate equal to the prime rate in effect from time to time (as published in The Wall Street Journal) plus two (2) percentage points, until paid in full.

Section 1.8 Closing Deliveries .

(a) At the Closing, Parent shall pay or cause to be paid, on behalf of the Company by wire transfer of immediately available funds to the relevant payees, the entire amount of the unpaid Company Transaction Expenses and the unpaid Indebtedness of the Company, if any, in accordance with the Closing Statement. Any amount so paid by Parent shall be deducted from and applied against the cash portion of the Merger Consideration due at the Closing in accordance with Section 1.5(a).

(b) On the Closing Date, Parent and Merger Sub shall deliver or cause to be delivered, to the Company the following, all in form and substance satisfactory to the Company:

(i) irrevocable instructions to the Transfer Agent to issue shares of the Parent Common Stock to each Company Stockholder in a number equal to, for each share of Company Common Stock held by such Company Stockholder immediately prior to the Effective Time, the Per Share Consideration of the Closing Stock Consideration, all in book entry form unless a physical certificate is required by such Company Stockholder, registered in the name of such Company Stockholder;

(ii) for each share of Company Common Stock held by each Company Stockholder immediately prior to the Effective Time, the Per Share Consideration of the Cash Consideration paid by wire transfer in accordance with Section 1.5;

(iii) the Employment Agreements duly executed by the Surviving Company;

(iv) the Non-Competition Agreements duly executed by the Surviving Company;

(v) the Registration Rights Agreement duly executed by Parent;

(vi) an agreement duly executed by Bison pursuant to which Bison agrees to a one-year lock up on the not less than $25 million of Parent Common Stock issued to it in order to finance the Merger Consideration;

(vii) certified copies of the certificate of incorporation and the other Charter Documents of each of Parent and Merger Sub, together with a good standing certificate under the laws of the respective jurisdictions of their incorporation of Parent and Merger Sub, each dated as of a recent date;

(viii) certified copies of resolutions duly adopted by the Parent Board and Merger Sub Board evidencing the taking of all corporate action necessary to authorize the execution, delivery and performance of this Agreement and all other Transaction Documents and the consummation of the Transactions;

(ix) a certificate, signed by an executive officer of Parent, certifying as to the matters set forth in Section 6.2(a), Section 6.2(b), and Section 6.2(c) hereof; and

(x) such other certificates, documents and instruments as the Company shall reasonably request.

(c) On the Closing Date (except where otherwise stated), the Company shall deliver or cause to be delivered to Parent the following, all in form and substance satisfactory to Parent:

(i) each Employment Agreement duly executed by Ranjan and Mathur, as applicable;

(ii) each Non-Competition Agreement duly executed by Ranjan and Mathur, as applicable;

(iii) the Registration Rights Agreement duly executed by each of the Company Stockholders;

(iv) certified copies of the certificate of incorporation (or equivalent organizational document) of the Company and each of the Company's Subsidiaries, together with a good standing certificate (with respect to the jurisdictions that recognize the concept of good standing) for the Company and each of the Company's Subsidiaries under the laws of the respective jurisdictions of incorporation or formation of the Company and each of its Subsidiaries and each other jurisdiction in which the Company or any of its Subsidiaries is qualified as a foreign corporation or entity to do business, each dated as of a recent date;

(v) certified copies of resolutions duly adopted by the Company Board and all of the Company Stockholders evidencing the taking of all corporate action necessary to authorize the execution, delivery and performance of this Agreement and all other Transaction Documents and the consummation of the Transactions;

(vi) a certificate, signed by the chief executive officer or chief financial officer of the Company, certifying as to the matters set forth in Section 6.3(a), Section 6.3(b), and Section 6.3(c) hereof;

(vii) written resignations of all of the officers and directors of the Company and each Subsidiary of the Company that may be requested by Parent, as of Closing Date, except that Ranjan and Mathur shall continue in their current roles as officers and directors of the Surviving Company, subject to the terms of the bylaws of the Surviving Company and the Employment Agreements;

(viii) a properly completed and executed certificate of non-foreign status from each Company Stockholder in a form that complies with Treasury Regulations Section 1.1445-2(b)(2);

(ix) a certificate duly executed by each Company Stockholder who is not a signatory to this Agreement regarding the representations, covenants and other agreements contained in Section 4.18, Section 5.9, Section 5.16 and Section 9.11; and

(x) such other certificates, documents and instruments as Parent shall reasonably request, including the certificates representing the shares of the Company Common Stock (or affidavits of loss in respect thereof).

Section 1.9 The Surviving Company .

(a) At the Effective Time: (a) the certificate of incorporation of the Company shall be amended and restated in its entirety in accordance with Exhibit A to the Certificate of Merger; (b) the by-laws of Merger Sub as in effect immediately prior to the Effective Time shall be the by-laws of the Surviving Company until thereafter amended in accordance with the terms thereof, the certificate of incorporation of the Surviving Company, or as provided by applicable Law.

(b) Except as otherwise directed in writing by Parent prior to the Closing, the directors and officers of the Company, in each case, immediately prior to the Effective Time shall, from and after the Effective Time, be the directors and officers of the Surviving Company until their successors have been duly elected or appointed and qualified or until their earlier death, resignation, or removal in accordance with the certificate of incorporation and the by-laws of the Surviving Company. Notwithstanding anything herein to the contrary, nothing in this Agreement shall affect, impair or diminish any rights of Ranjan or Mathur to be an employee, officer or director of the Surviving Company in accordance with the provisions of this Agreement or the Employment Agreement to which either of them is a party.

ARTICLE II
EFFECT OF THE MERGER ON THE STOCK OF THE CONSTITUENT CORPORATIONS

Section 2.1 Effect of the Merger. At the Effective Time, as a result of the Merger and without any further action on the part of Parent, Company, or Merger Sub, or the holders of any capital stock of Parent, Company or Merger Sub:

(a) each outstanding share of the Company Common Stock issued and outstanding immediately prior to the Effective Time shall be converted into the right to receive the Per Share Consideration of the Merger Consideration, as may be adjusted pursuant to this Agreement. All such shares of Company Common Stock, when so converted, shall be automatically cancelled and retired and shall cease to exist, and each holder of a certificate representing any shares of Company Common Stock (if such shares are certificated) shall cease to have any rights with respect thereto; and

(b) each share of common stock, par value $0.01 per share of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into one share of common stock, par value $0.01 per share, of the Surviving Company.

(c) at the Effective Time, the stock transfer books of the Company shall be closed and no further registration of transfers of shares shall thereafter be made on the records of the Company.

(d) to the extent permitted by applicable Law, none of Parent, Merger Sub, the Company, the Surviving Company, or the Stockholder Representative shall be liable to any Person in respect of any portion of the Merger Consideration properly delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law. If any certificates shall not have been surrendered immediately prior to the date that such unclaimed funds would otherwise become subject to any abandoned property, escheat or similar Law unclaimed funds payable with respect to such certificates shall, to the extent permitted by applicable Law, become the property of Surviving Company, free and clear of all claims or interest of any Person previously entitled thereto.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except as expressly disclosed in the SEC Documents (other than any "risk factor" or any forward-looking statements or any other statements that are similarly cautionary, nonspecific or predictive in nature set forth therein) Parent and Merger Sub hereby jointly and severally represent and warrant as of the date of this Agreement and as of the Closing Date as follows:

Section 3.1 Existence; Good Standing; Authority; Enforceability .

(a) Each of Parent and Merger Sub is (i) duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has all requisite power and authority to own and operate its properties and to conduct its business, as conducted and planned to be conducted as of the date of this Agreement and (ii) duly licensed or qualified to do business as a foreign corporation in, and is in good standing under the Laws of, each jurisdiction under which such licensing or qualification is necessary, except where the failure to be so licensed or qualified or to be in good standing would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect on Parent or Merger Sub. Each of Parent and Merger Sub is in compliance with, and is not in violation or default under, the terms of its respective Charter Documents.

(b) Each of Parent and Merger Sub has the requisite corporate power and authority to execute and deliver this Agreement and the Transaction Documents to which it is a party and to perform its obligations hereunder and thereunder. Except for approvals of the Parent Board or Parent's shareholders which may be necessary in connection with the Financing, the execution and delivery by each of Parent and Merger Sub of this Agreement and the Transaction Documents to which it is a party, the performance of its respective obligations hereunder and thereunder, and the consummation by it of the Transactions have been duly authorized by all requisite corporate action on the part of Parent and Merger Sub and no other corporate authorization or proceedings on the part of Parent or Merger Sub is required therefor. This Agreement has been, and each Transaction Document when executed and delivered in accordance with this Agreement shall be, duly executed and delivered by Parent and Merger Sub, as the case may be, and, assuming the due authorization, execution and delivery of this Agreement and such other Transaction Documents by the other parties hereto and thereto, each constitutes or shall constitute a legal, valid and binding obligation of Parent or Merger Sub, as the case may be, enforceable against it in accordance with its terms, subject to the Equitable Exceptions.

(c) Except for those that have been obtained and are in full force and effect or that may be necessary in connection with the Financing, no notices are required to be delivered to, and no approvals and consents are required to be obtained from the Parent Board, the Merger Sub Board or the stockholders of Parent or Merger Sub under: (i) Law; (ii) the Charter Documents of Parent or Merger Sub; or (iii) any material Contract to which Parent or Merger Sub is a party in connection with the execution and delivery by Parent and Merger Sub of this Agreement and the other Transaction Documents to which either of them is or shall become a party and the consummation of the Transactions.

(d) When issued in accordance with this Agreement, all shares of the Parent Common Stock issued to the Company Stockholders under this Agreement will be duly authorized, validly issued, fully paid and nonassessable.

Section 3.2 Capitalization .

(a) As of the date of this Agreement, the authorized Parent Equity Interest and the number of shares of Parent Equity Interest issued and outstanding is as set forth in Schedule 3.2(a). As of the date of this Agreement, the authorized share capital of Parent consists of 60,000,000 shares of the Parent Common Stock, 20 shares of Series A preferred stock, par value $0.001 per share (the " **Series A Preferred Stock** ") and 14,999,980 shares of preferred stock, par value $0.001 per share (the " **Undesignated Preferred Stock** "), of which 35,678,248 shares of the Parent Common Stock, 7 shares of Series A Preferred Stock and zero shares of Undesignated Preferred Stock are issued and outstanding. As of the date of this Agreement, 1,313,836 shares of the Parent Common Stock are held in treasury and no shares of the Parent Common Stock are reserved for future issuance except (i) awards to purchase up to an aggregate of 2,197,723 shares pursuant to Parent's existing employee equity incentive plans (the " **Stock Plans** "), (ii) options to purchase an aggregate of 490,500 shares outside of the Stock Plans (the " **Outstanding Options** "), (iii) warrants to purchase an aggregate of 1,866,947 shares (the " **Outstanding Warrants** "), and (iv) 3,333,334 shares into which the Convertible Notes are convertible. As of the date of this Agreement, except for the Stock Plans, the Outstanding Options, the Outstanding Warrants, and the Convertible Notes, there are no options, warrants or other rights, agreements, arrangements or commitments of any character relating to the issued or unissued capital stock of Parent or any of its Subsidiaries or obligating Parent or any of its Subsidiaries to issue or sell any shares of capital stock of, or other equity interests in, Parent or any of its Subsidiaries. Parent has made available to the Company and the Company Stockholders accurate and complete copies of all agreements for the Outstanding Options and the Outstanding Warrants. All shares of the Parent Common Stock subject to issuance as aforesaid, upon issuance on the terms and subject to the conditions specified in the instruments pursuant to which they are issuable, will be duly authorized, validly issued, fully paid and nonassessable.

(b) All outstanding shares of Parent Equity Interests were issued in compliance with the Charter Documents of Parent and applicable Laws.

All of the issued and outstanding Parent Equity Interests were, when issued in accordance with the terms thereof, duly authorized (to the extent applicable), validly issued and (to the extent applicable) fully paid and nonassessable, and such issued or outstanding Parent Equity Interests were not issued in violation of any pre-emptive rights, rights of first offer, first refusal or similar rights, or in violation of any Laws.

(c) Except as provided in the Stock Plans, the Outstanding Options, the Outstanding Warrants, the Convertible Notes and pursuant to the Transaction Documents, as of the date of this Agreement there are no outstanding Contracts, options, warrants or other rights of any kind that entitle any Person to acquire (including securities exercisable or exchangeable for or convertible into) any Parent Equity Interests, and no Parent Equity Interests have been reserved or set aside for any purpose. Parent is not, as of the date of this Agreement, subject to any Contract or obligation (contingent or otherwise) to redeem, purchase, call or otherwise retire, acquire or register any shares of its capital stock or any of its equity interests and there are no voting trusts, proxies or other Contracts to which Parent is a party or is bound with respect to the voting of any shares of Parent Equity Interests.

Section 3.3 No Conflicts; Consents . Except as set forth on Schedule 3.3:

(a) none of the execution, delivery or performance by Parent or Merger Sub of this Agreement and the Transaction Documents to which it is or shall be a party in accordance with their terms, nor the consummation by Parent or Merger Sub of the Transactions, does or shall violate, conflict with, breach or constitute a default under (in each case, with or without the giving of notice, the lapse of time or both) any of the provisions of: (i) any of the Charter Documents of Parent or Merger Sub; (ii) any Contract to which Parent or Merger Sub is a party; (iii) any applicable Law; or (iv) any Permit or Order or judgment applicable to Parent or Merger Sub.

(b) none of the execution, delivery or performance by Parent or Merger Sub of the Transaction Documents to which it is or shall be a party in accordance with their terms, nor the consummation by Parent or Merger Sub of the Transactions does or will: (i) require Parent or Merger Sub to obtain or make any consent, waiver, approval, authorization, Order or Permit of, declaration, filing or registration with, other action by, or notification to, any Governmental Authority; or (ii) subject to Section 3.11, require the consent, waiver, approval, authorization, notification or action of, by or to (as applicable) any other Person pursuant to the terms and conditions of any Contract in order to avoid any breach, default, violation, termination, modification or prepayment thereunder and to avoid the acceleration or cancellation of any rights or obligations thereunder.

Section 3.4SEC Filings; Financial Statements; No Undisclosed Liabilities; Controls; Registration; Investment Company .

(a) Parent has timely filed with or furnished to the SEC, as applicable, the SEC Documents. Complete copies of all SEC Documents are publicly available in the Electronic Data Gathering, Analysis and Retrieval database of the SEC (" **EDGAR** "). To the extent that any SEC Document available on EDGAR contains redactions pursuant to a request for confidential treatment or otherwise and upon the request of the Stockholder Representative, Parent has made available to the Company Stockholders the full text of all such SEC Documents that it has so filed or furnished with the SEC. As of their respective filing dates or, if amended or superseded by a subsequent filing prior to the date of this Agreement, as of the date of the last such amendment or superseding filing (and, in the case of registration statements and proxy statements, on the dates of effectiveness and the dates of the relevant meetings, respectively), each of the SEC Documents complied as to form in all material respects with the applicable requirements of the Securities Act, the Exchange Act, and the Sarbanes-Oxley Act of 2002 (the " **Sarbanes-Oxley Act** "), and the rules and regulations of the SEC thereunder applicable to such SEC Documents. None of the SEC Documents, including any financial statements, schedules, or exhibits included or incorporated by reference therein at the time they were filed (or, if amended or superseded by a subsequent filing prior to the date of this Agreement, as of the date of the last such amendment or superseding filing), contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. To Parent's Knowledge, none of the SEC Documents is the subject of ongoing SEC review or outstanding SEC investigation and there are no outstanding or unresolved comments received from the SEC with respect to any of the SEC Documents. None of Parent's Subsidiaries is required to file or furnish any forms, reports, or other documents with or to the SEC.

(b) The audited consolidated balance sheet of Parent and its Subsidiaries as of March 31, 2018 and related audited consolidated statements of income, shareholders' equity and cash flows for the fiscal year ended March 31, 2018 contained in Parent's Annual Report on Form 10-K for the year ended March 31, 2018 (the " **Audited Financial Statements** ") and the unaudited consolidated financial statements of Parent and its Subsidiaries as of September 30, 2018 contained in Parent's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 (the " **Interim Financial Statements** " and, together with Audited Financial Statements, the " **Financial Statements** ") have been prepared in accordance with GAAP (other than, with respect to Interim Financial Statements, the omission of footnotes required under GAAP and normal year-end audit adjustments) and present fairly, in all material respects, the financial condition, results of operations, cash flows and stockholders' equity of Parent and its Subsidiaries at the applicable dates and for the periods indicated therein.

(c) Except for Liabilities incurred after March 31, 2018 in the Ordinary Course of Business (none of which, individually or in the aggregate, are material and none of which relates to any violation of applicable Law or breach of Contract), Parent and its Subsidiaries have no Liabilities that are not set forth in the Financial Statements, in either case that would be required to be disclosed or reserved against in a balance sheet in accordance with GAAP.

(d) Parent and each of its Subsidiaries maintain internal accounting controls and procedures appropriate for a publicly held company with assets and operations of its size and scope sufficient to: (i) permit preparation of its financial statements in accordance with GAAP; and (ii) provide reasonable assurance that (A) transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The financial books and records of Parent and its Subsidiaries are accurate and complete in all material respects. There are no weaknesses in the design or operation of the internal accounting controls and procedures of Parent or its Subsidiaries that would materially and adversely affect its ability to record and report financial data. Parent and its Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurances that Parent's internal control over financial reporting is effective and none of Parent, its board of directors and audit committee is aware of any "significant deficiencies" or "material weaknesses" (each as defined by the Public Company Accounting Oversight Board) in its internal control over financial reporting, or any fraud, whether or not material, that involves management or other employees of Parent and its Subsidiaries who have a significant role in Parent's internal controls; and since March 31, 2018, there has been no change in Parent's internal control over financial reporting (whether or not remediated) that has materially affected, or is reasonably likely to materially affect, Parent's internal control over financial reporting. Parent has established and maintains disclosure controls and procedures (as defined in Rules 13a-14 and 15d-14 under the Exchange Act) and such controls and procedures are effective in ensuring that material information relating to Parent and its Subsidiaries is made known to the principal executive officer and the principal financial officer.

(e) Without limiting any other provision of this Agreement or any other Transaction Document, Parent is in compliance in all material respects with all applicable provisions of the Sarbanes-Oxley Act and the rules and regulations of the SEC thereunder.

(f) Parent Common Stock is registered pursuant to Section 12(b) or Section 12(g) of the Exchange Act and is included or approved for listing or quotation on the Nasdaq Global Market and Parent has taken no action designed to, or likely to have the effect of, terminating the registration of the Parent Common Stock under the Exchange Act or delisting the Parent Common Stock from the Nasdaq Global Market nor has Parent received any unresolved notification that the SEC or the Nasdaq Global Market is contemplating terminating such registration or listing. Parent has complied in all material respects with the applicable requirements of the Nasdaq Global Market for maintenance of inclusion of the Parent Common Stock thereon.

(g) Parent is not an "investment company," as such term is defined in the Investment Company Act of 1940, as amended.

Section 3.5 Absence of Certain Changes . Since March 31, 2018, except as disclosed in the SEC Documents, (i) there has not been any Material Adverse Effect with respect to Parent and its Subsidiaries, (ii) Parent and its Subsidiaries have conducted their businesses only in the Ordinary Course of Business, and (iii) neither Parent nor Merger Sub has taken any action or failed to take any action which would constitute a breach of Article VI hereof if such action was taken or such failure occurred, as applicable, after the date of this Agreement.

Section 3.6 Litigation; Orders . Except as set forth on Schedule 3.6, or except for those that individually or in the aggregate would not reasonably be expected to result in a determination that would have a Material Adverse Effect on Parent and its Subsidiaries, there is no Legal Action relating to Parent or any of its Subsidiaries or, to Parent's Knowledge, threatened against or involving Parent, any of its Subsidiaries, any of their respective properties, or any of their respective officers, directors, employees or former employees (in their capacities as such) and, to Parent's Knowledge, there are no existing facts or circumstances that would reasonably be expected to result in such a legal proceeding. Neither Parent nor any of its Subsidiaries is subject to any outstanding Order that has not been fully performed or satisfied (except to the extent that failure to perform or satisfy such Order would not reasonably be expected to result in a Material Adverse Effect on Parent and its Subsidiaries) or that prohibits or restricts the consummation of the Transactions.

Section 3.7 Compliance with Laws; Permits .

(a) Parent and its Subsidiaries are in compliance with applicable Laws and Orders in all material respects. Except for those that individually or in the aggregate would not reasonably be expected to result in a determination that would have a Material Adverse Effect on Parent and its Subsidiaries, no investigation, review or Legal Action by any Governmental Authority or Judicial Authority in relation to any actual or alleged violation of applicable Law or Order by Parent or any of its Subsidiaries is pending or, to Parent's Knowledge, threatened, nor has Parent or any of its Subsidiaries received any written notice from any Governmental Authority or Judicial Authority indicating an intention to conduct the same or alleging any violation of or noncompliance with any applicable Law or Order. Neither Parent nor any of its Subsidiaries is a party to or subject to any Order, consent or Contract that: (i) materially restricts its ability conduct of its business; or (ii) would otherwise reasonably be expected to, either individually or in the aggregate, result in a Material Adverse Effect.

(b) Parent and its Subsidiaries have obtained all Permits reasonably necessary for them to conduct their businesses and to own and operate property used in their businesses and all of such Permits are valid and in full force and effect. No material defaults or violations exist or have been recorded in respect of any of such Permits. No Legal Action is pending or, to Parent's Knowledge, threatened, concerning the rescission, suspension, modification, revocation, withdrawal, cancellation, termination, limitation or non-renewal of any material Permit (except any pending renewal applications). Since January 1, 2015, neither Parent nor any of its Subsidiaries has had any material Permit that was used in the conduct of its business rescinded, suspended, modified, revoked, withdrawn, cancelled, terminated, limited or not renewed, and Parent has no reason to believe that any such Permit shall be rescinded, suspended, modified, revoked, withdrawn, cancelled, terminated, limited or not renewed in the future.

Section 3.8 Certain Payments. None of Parent or any of its Subsidiaries or any member of the board of directors or officer of Parent or any of its Subsidiaries, or any consultant, agent, employee or other Person acting for or on behalf of Parent or any of its Subsidiaries, has: (a) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity; (b) directly or indirectly, paid or delivered any fee, commission or other sum of money or item of property, however characterized, to any finder, agent, or other Person acting on behalf of or under the auspices of a governmental official or Governmental Authority which is in any manner illegal under any Laws of the United States or any other country having jurisdiction; or (c) made any payment to any customer or supplier of Parent or its Subsidiaries, or given any other consideration to any such customer or supplier, that violates applicable Law, including any Legal Requirements relating to any unlawful bribe, rebate, payoff, influence payment, kickbacks, money laundering, political contributions, gift or gratuities. Without limiting the foregoing, none of Parent or any of its Subsidiaries, or any member of the board of directors or officer of Parent or any of its Subsidiaries, or any consultant, agent, employee or other Person acting for or on behalf of Parent or any of its Subsidiaries, has, directly or indirectly, taken any action that would result in a violation by such Persons of the U.S. Foreign Corrupt Practices Act (15 U.S.C. §§ 78m(b), 78dd-1, 78dd-2, 78ff), as amended (the " **FCPA** ") or any rules or regulations thereunder or any other applicable anti-corruption Law, including: (x) by making use of the mails or any means or instrumentality of interstate commerce in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value, directly or indirectly, to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office to secure official action, or to any Person (whether or not a foreign official) to influence that Person to act in breach of a duty of good faith, impartiality or trust ("acting improperly") or to reward the Person for acting improperly, in contravention of the FCPA or any other applicable anticorruption Law; (y) by requesting, agreeing to receive or accepting a financial or other advantage intending that, as a consequence, anyone's work duties shall be performed improperly, or as a reward for anyone's past improper performance; or (z) by otherwise offering or conveying, directly or indirectly (such as through an agent), anything of value to obtain or retain business or to obtain any improper advantage, including any bribe, rebate, payoff, influence payment, kickback or other similar unlawful payment to a foreign government official, candidate for office, or political party or official of a political party. Parent and its Subsidiaries have conducted their respective businesses in compliance with all applicable anti-corruption Laws, including the FCPA, and Parent and its Subsidiaries have instituted and maintained policies and procedures designed to cause each such Person to comply with all applicable anti-corruption Laws, including the FCPA. Since January 1, 2015, neither Parent nor any Subsidiary thereof has conducted or initiated any internal investigation for which it engaged a third party investigator or with respect to which a presentation was made to the board of directors (or similar governing body, as applicable), or made a voluntary, directed, or involuntary disclosure to any Governmental Authority, with respect to any alleged act or omission arising under or relating to any noncompliance with the FCPA or any other Legal Requirements referred to in this Section 3.8.

Section 3.9 Sanctions .

(a) Neither Parent nor any of its Subsidiaries, nor any of their directors, officers or employees, nor, to Parent's Knowledge, any agent, Affiliate or representative of Parent or its Subsidiaries, is an individual or entity that is, or is owned or controlled by an individual or entity that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority (collectively, " **Sanctions** "), nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Crimea, Cuba, Iran, North Korea, Russia, Syria and Venezuela).

(b) For the past five (5) years, neither Parent nor any of its Subsidiaries has knowingly engaged in, and is not now knowingly engaged in, any dealings or transactions with any individual or entity, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

Section 3.10 Brokers. No broker, finder, investment banker or other Person has been engaged by Parent or any of its Subsidiaries that is entitled to any brokerage, finder's or other fee or commission from Parent or any of its Subsidiaries in connection with the Transactions.

Section 3.11 CFIUS . The execution, delivery and performance by Parent of this Agreement and the consummation by Parent of the transactions contemplated hereby require no action by or in respect of, or filing with, any agency of the U.S. Government, including notification to the Committee on Foreign Investment in the United States (" **CFIUS** ") under its critical technology pilot program that became effective November 10, 2018.

Section 3.12 No Prior Merger Sub Operations . Merger Sub was formed solely for the purpose of effecting the Merger and has not engaged in any business activities or conducted any operations other than in connection with the Transactions.

Section 3.13 Non-Reliance . Parent and Merger Sub acknowledge and agree that the Company and the FT Stockholders are not making any representations or warranties whatsoever regarding the subject matter of this Agreement, express or implied, either written or oral, except as expressly provided in this Agreement, and that they are not relying and have not relied on any representations or warranties whatsoever regarding the subject matter of this Agreement, express or implied, except for the representations and warranties in expressly set forth in this Agreement.

Section 3.14 Full Disclosure. All of the financial statements and written materials furnished by or on behalf of Parent or Merger Sub to the Company Stockholders or the Company in connection with the negotiation of this Agreement or hereafter delivered hereunder or reports filed pursuant to the Exchange Act (as modified or supplemented by other information so furnished prior to the date on which this representation and warranty is made or deemed made) do not contain any material misstatement of fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, Parent and Merger Sub represent only that such information was prepared in good faith based upon assumptions that the Parent and Merger Sub believe are reasonable.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE FT STOCKHOLDERS AND THE COMPANY

The FT Stockholders and the Company jointly and severally represent and warrant to Parent as of the date of this Agreement and as of the Closing Date as follows:

Section 4.1 Existence; Good Standing; Authority; Enforceability .

(a) The Company and each of the Company's Subsidiaries is (i) duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and has all requisite power and authority to own and operate its properties and to conduct its business, as conducted and planned to be conducted as of the date of this Agreement and as of Closing and (ii) duly licensed or qualified to do business as a foreign corporation or other entity (as applicable) in, and is in good standing (as applicable) under the Laws of, each jurisdiction under which such licensing or qualification is necessary, except where the failure to be so licensed or qualified or to be in good standing would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect on the Company or any of its Subsidiaries. True and complete copies of the Charter Documents of the Company and each Subsidiary of the Company have been heretofore provided to Parent and Merger Sub. Each of the Company and each Subsidiary of the Company is in compliance with, and is not in violation or default under, the terms of its respective Charter Documents.

(b) The Company has the requisite corporate power and authority to execute and deliver this Agreement and the Transaction Documents to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by the Company of this Agreement and the Transaction Documents to which it is a party, the performance of its obligations hereunder and thereunder, and the consummation by the Company of the Transactions have been duly authorized by all requisite corporate action on the part of the Company and no other corporate authorization or proceedings on the part of the Company is required therefor. This Agreement has been, and each Transaction Document when executed and delivered in accordance with this Agreement shall be, duly executed and delivered by each of the FT Stockholders, the Stockholder Representative and the Company, as the case may be, and, assuming the due authorization, execution and delivery of this Agreement and such other Transaction Documents by the other parties hereto and thereto, each constitutes or shall constitute a legal, valid and binding obligation of such FT Stockholder, the Stockholder Representative or the Company, as the case may be, enforceable against it in accordance with its terms, subject to the Equitable Exceptions.

(c) Except for the approval of the Company Stockholders and the approval of the Company Board, each of which approval has been obtained and is in full force and effect, no notices are required to be delivered to, and no approvals or consents are required to be obtained from, the board of directors (or similar governing body, as applicable) or stockholders or equity holders of the Company or any Subsidiary of the Company under: (i) applicable Law; (ii) the Charter Documents of the Company or any Subsidiary of the Company; or (iii) any Contract to which an FT Stockholder, the Stockholder Representative, the Company or any Subsidiary of the Company is a party in connection with the execution and delivery by the FT Stockholders, the Stockholder Representative and the Company of this Agreement and the other Transaction Documents to which any of them is or shall become a party and the consummation of the Transactions.

(d) All of the Company Stockholders, by unanimous written consent, adopted resolutions that are in full force and effect (i) approving this

Agreement and the other Transaction Documents to which the Company is a party, and (ii) declaring that this Agreement and such other Transaction Documents are in the best interests of the Company.

(e) The Company Board at a meeting duly called and held or by unanimous written consent, adopted resolutions that are in full force and effect (i) approving this Agreement and the other Transaction Documents to which the Company is a party, and (ii) declaring that this Agreement and such other Transaction Documents are in the best interests of the Company Stockholders and the Company.

(f) Except as set forth on Schedule 4.1(f), neither the Company nor any Subsidiary of the Company has any Subsidiaries or owns or controls, directly indirectly, any Person or any equity, debt or other interests or investments in any Person.

(g) Neither the Company nor any Subsidiary of the Company is a successor to any other Person, whether by merger, consolidation or other business combination, reorganization, acquisition of assets or otherwise, and neither Company nor any Subsidiary of the Company has dissolved, discontinued, sold, transferred or otherwise disposed of any legal entity.

(h) Except as set forth on Schedule 4.1(h), neither the Company nor any Subsidiary of the Company has had or operated under any legal name, trade name or assumed name, other than its current legal name as set forth in its Charter Documents as currently in effect.

Section 4.2 Capitalization .

(a) As of the date of this Agreement and immediately prior to the Effective Time, the authorized capital stock of the Company and the number of shares of capital stock of the Company issued and outstanding (each, a " **Company Equity Interest** ") is as set forth in Schedule 4.2(a). As of the date of this Agreement and immediately prior to the Effective Time, the names of the Company Stockholders and the number of shares of Company Common Stock held by each are as set forth on Schedule 4.2(a), and each of the Company Stockholders holds such shares free and clear of any Liens of any kind.

(b) As of the date of this Agreement and immediately prior to the Effective Time, all outstanding shares of capital stock or other securities of the Company and each Subsidiary of the Company were issued in compliance with the its respective Charter Documents and applicable Laws. All of the issued and outstanding Company Equity Interests and all equity interests owned by the Company in a Subsidiary (all of which are set forth in Schedule 4.2(b), and each, a " **Subsidiary Equity Interest** ") were, when issued in accordance with the terms thereof, duly authorized (to the extent applicable), validly issued and (to the extent applicable) fully paid and nonassessable, and such issued and outstanding Company Equity Interests and Subsidiary Equity Interests were not issued in violation of any pre-emptive rights, rights of first offer, first refusal or similar rights, or in violation of any applicable Laws. As of the date of this Agreement and immediately prior to the Effective Time, the Company holds and will hold all of the outstanding Subsidiary Equity Interests, free and clear of any Liens of any kind.

(c) Except for the Merger contemplated by this Agreement, there are no outstanding Contracts, options, warrants or other rights of any kind that entitle any Person to acquire (including securities exercisable or exchangeable for or convertible into) any Company Equity Interests or Subsidiary Equity Interests, and no Company Equity Interests or Subsidiary Equity Interests have been reserved or set aside for any purpose. As of the date of this Agreement and immediately prior to the Merger, neither the Company nor any Subsidiary of the Company is or will be subject to any Contract or obligation (contingent or otherwise) to redeem, purchase, call or otherwise retire, acquire or register any shares of its capital stock. There are no voting trusts, proxies or other Contracts with respect to the voting of any Company Equity Interests or Subsidiary Equity Interests.

(d) No resolution has been passed by the Company Board or the board of directors (or comparable governing body) of any Subsidiary of the Company on the basis of which the capital of the Company or any Subsidiary of the Company may be increased or reduced, or in any way modified. There is no outstanding or authorized phantom stock, stock appreciation, profit participation or similar rights with respect to the Subsidiaries of the Company. No capital contributions are required to be made with respect to the Company Equity Interests or Subsidiary Equity Interests.

(e) Except as set forth on Schedule 4.2(e), the minutes of meetings, or written consents in lieu of meetings, of the stockholders or equity holders of the Company and each of its Subsidiaries, the Company Board and the board of directors (or comparable governing body) of any Subsidiary of the Company and committees of the Company Board or any such board of directors (or comparable governing body) have been maintained pursuant to each such Person's Charter Documents and all applicable Laws and accurately reflect in all material respects, without any material omission, the proceedings at such meetings and the resolutions passed from time to time. Such resolutions have been passed in compliance with the provisions of each such Person's Charter Documents. There are no Contracts to which the Company, any Subsidiary of the Company, or any stockholder or equity holder of the Company or any such Subsidiary is a party with respect to: (i) the voting of any Company Equity Interests or Subsidiary Equity Interests (including any proxy or director nomination or similar rights); or (ii) the transfer of, or transfer restrictions on, any Company Equity Interests or Subsidiary Equity Interests.

(f) Neither the Company nor any Subsidiary of the Company has granted any preemptive rights, anti-dilutive rights or rights of first refusal or similar rights with respect to its outstanding capital stock or equity interests. No Company Stockholder has entered into or is subject to any Contract that would create any rights of any kind that would entitle any Person to acquire any interest in any of the Company Equity Interests held by such Company Stockholder or restrict the ability of such Company Stockholder to transfer such Company Equity Interests, free and clear of any Liens of any kind.

(g) Neither the Company nor any Subsidiary of the Company has granted any rights for or relating to the registration of any shares of capital stock or other securities.

Section 4.3 No Conflicts; Consents .

(a) None of the execution, delivery or performance by the FT Stockholders, the Stockholder Representative or the Company of this Agreement and the Transaction Documents to which any of the FT Stockholders, the Stockholder Representative or the Company is or shall be a party in accordance with their terms, nor the consummation by the FT Stockholders, the Stockholder Representative or the Company of the Transactions, does or shall violate, conflict with, breach or constitute a default under (in each case, with or without the giving of notice, the lapse of time or both) any of the provisions of: (i) any of the Charter Document of the Company or any Subsidiary of the Company; (ii) any Contract to which an FT Stockholder, the Company, the Stockholder Representative or any Subsidiary of the Company is a party; (iii) any applicable Law; or (iv) any Permit or Order or judgment applicable to an FT Stockholder, the Company or any Subsidiary of the Company.

(b) Except as set forth in Schedule 4.3(b), none of the execution, delivery or performance by the FT Stockholders, the Stockholder Representative or the Company of the Transaction Documents to which any of them is or shall be a party in accordance with their terms, nor the consummation by the FT Stockholders, the Stockholder Representative or the Company of the Transactions does or will: (i) require any consent, waiver, approval, authorization, Order or Permit of, declaration, filing or registration with, other action by, or notification to, any Governmental Authority applicable to the FT Stockholders, the Stockholder Representative, the Company or any Subsidiary of the Company; or (ii) require the consent, waiver, approval, authorization, notification or action of, by or to (as applicable) any other Person pursuant to the terms and conditions of any Contract in order to avoid any breach, default, violation, termination, modification or prepayment thereunder and to avoid the acceleration or cancellation of any rights or obligations thereunder.

Section 4.4 Financial Statements; No Undisclosed Liabilities; Controls; Registration; Investment Company .

(a) The (i) unaudited consolidated balance sheet of Company and its Subsidiaries as of December 31, 2017 and related un-audited consolidated statements of income, stockholders' equity and cash flows for each of the fiscal years ended December 31, 2017 and December 31, 2018, respectively (the " **Company Unaudited Financial Statements** "), all of which are attached to Schedule 4.4(a) hereto, have been prepared in accordance with GAAP (other than the omission of footnotes required under GAAP and normal year-end audit adjustments) and present fairly, in all material respects, the financial condition, results of operations, cash flows and stockholders' equity of the Company and its Subsidiaries at the applicable dates and for the periods indicated therein. The Company Audited Financial Statements, when completed and delivered in accordance with Section 5.10, have been prepared in accordance with GAAP and present fairly, in all material respects, the financial condition, results of operations, cash flows and stockholders' equity of the Company and its Subsidiaries at the applicable dates and for the periods indicated therein.

(b) Except for Liabilities incurred after December 31, 2018 in the Ordinary Course of Business (none of which, individually or in the aggregate, are material and none of which relates to any violation of applicable Law or breach of Contract), neither the Company nor any of its Subsidiaries has any Liabilities that are not set forth in the Company Unaudited Financial Statements for the fiscal year ended December 31, 2018, in either case that would be required to be disclosed or reserved against in a balance sheet in accordance with GAAP.

(c) The Company and each of the Company's Subsidiaries maintain internal accounting controls and procedures appropriate for companies with assets and operations of its size and scope sufficient to: (i) permit preparation of its financial statements in accordance with GAAP; and (ii) provide reasonable assurance that (A) transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The financial books and records of the Company and each of the Company's Subsidiaries are accurate and complete in all material respects. There are no weaknesses in the design or operation of the internal accounting controls and procedures of the Company or any of the Company's Subsidiaries that would materially and adversely affect its ability to record and report financial data. The Company and each of the Company's Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurances that such Person's internal control over financial reporting is effective and none of the FT Stockholders, the Company or any of the Company's Subsidiaries is aware of any "significant deficiencies" or "material weaknesses" (each as defined by the Public Company Accounting Oversight Board) in the Company's or any of its Subsidiaries' internal control over financial reporting, or any fraud, whether or not material, that involves management or other employees of the Company or any of the Company's Subsidiaries who have a significant role in the internal controls of the Company or any of the Company's Subsidiaries; and since the end of the latest fiscal year, there has been no change in the internal control over financial reporting (whether or not remediated) of the Company or any of the Company's Subsidiaries that has materially affected, or is reasonably likely to materially affect, the internal control over financial reporting of the Company or any of the Company's Subsidiaries.

(d) Neither the Company nor any of its Subsidiaries is in violation of any term of, or in default under, any Contract relating to any Indebtedness.

(e) There is no Contract, transaction, arrangement, or other relationship between the Company or any of its Subsidiaries and an unconsolidated or other off-balance sheet entity.

(f) None of the Company or any of the Company's Subsidiaries is an "investment company", as such term is defined in the Investment Company Act or 1940, as amended.

Section 4.5 Absence of Certain Changes . Except as set forth on Schedule 4.5, since the date of the Company Unaudited Financial Statements for the fiscal year ended December 31, 2018 (i) there has not been any Material Adverse Effect on the Company or any of its Subsidiaries, (ii) the Company and each of its Subsidiaries has conducted its businesses only in the Ordinary Course of Business, and (iii) none of the FT Stockholders, the Company nor any of the Company's Subsidiaries has taken any action or failed to take any action which would constitute a breach of Article VI hereof if such action was taken or such failure occurred, as applicable, after the date of this Agreement.

Section 4.6 Litigation; Orders . Except as set forth in Schedule 4.6, there is no Legal Action relating to the Company or any of its Subsidiaries or, to the Knowledge of the FT Stockholders or the Company, threatened against or involving the Company, any of its Subsidiaries, any of their respective properties, or any of their respective officers, directors, employees or former employees (in their capacities as such) and, to the Knowledge of the FT Stockholders and the Company, there are no existing facts or circumstances that would reasonably be expected to result in such a proceeding. None of the Company nor any of its Subsidiaries is subject to any outstanding Order that has not been fully performed or satisfied or that prohibits or restricts the consummation of the Transactions.

Section 4.7 Taxes .

(a) Except as set forth in Schedule 4.7(a): (i) the Company and each of its Subsidiaries has timely filed all Tax Returns that are required to have been filed; (ii) all such Tax Returns are true, correct and complete in all material respects; and (iii) all Taxes due by or with respect to the income, assets, or operations of the Company and each of its Subsidiaries (whether or not shown on any Tax Return) have been timely paid.

(b) Except as set forth in Schedule 4.7(b): (i) neither the Company nor any of its Subsidiaries is the beneficiary of any extension of time

within which to file any Tax Return; (ii) there are no Liens for Taxes upon any of the stock or assets of the Company or any of its Subsidiaries (other than Liens for Taxes not yet due and for which adequate reserves have been made on the Unaudited Financial Statements); and (iii) the Company and each of its Subsidiaries has withheld and paid all Taxes required to have been withheld in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party, and (x) all such Taxes have been timely paid over to the applicable Tax authorities and (y) all Forms W-2 and 1099 required with respect thereto have been completed and filed in compliance with applicable Law.

(c) Except as set forth in Schedule 4.7(c): (i) neither the Company nor any of its Subsidiaries has, for any Taxable year with respect to which the applicable statute of limitations has not expired, been the subject of an audit or other examination of Taxes by any Tax Authority and no such audit is pending; (ii) neither the Company nor any of its Subsidiaries has been notified in writing of any request for such an audit or other examination; (iii) neither the Company nor of its Subsidiaries is presently contesting any Tax liability before any court, tribunal or agency; and (iv) there is no dispute, assessment, deficiency, or claim concerning any Tax Liability of the Company or any of its Subsidiaries, either (A) claimed, threatened or raised in writing by any Tax Authority, or (B) as to which the Company or any of its Subsidiaries, or any of the Company's or its Subsidiaries' stockholders, directors, or officers (or employees responsible for Tax matters) has Knowledge.

(d) No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes relating to the Company or any of its Subsidiaries.

(e) Except as set forth on Schedule 4.7(e), there are no (i) powers of attorney with respect to any Tax matter relating to the Company or any of its Subsidiaries, or (ii) Tax rulings, closing agreements, offers in compromise, or gain recognition agreements requested or received from any Tax Authority with respect to the Company or any of its Subsidiaries.

(f) Except as set forth in Schedule 4.7(f), neither the Company nor any of its Subsidiaries: (i) is a party to or bound by any tax allocation, tax sharing, tax indemnification or similar agreement or has an obligation to make a payment under such agreement; (ii) has been included in any "consolidated," "unitary" or "combined" Tax Return provided for under the laws of any jurisdiction (other than a group, the common parent of which was the Company); or (iii) has any Liability for the Taxes of any Person (including, without limitation, under Section 1.1502-6 of the Treasury Regulations, or any similar provision of state, local or non-U.S. law), as a transferee or successor, by Contract, or otherwise.

(g) Except as set forth in Schedule 4.7(g), neither the Company nor any of its Subsidiaries has (i) participated in any "listed transaction," as defined in Section 6707A(c)(2) of the Code and Section 1.6011-4(b) of the Treasury Regulations, or (ii) been a party to any "reportable transaction," as defined in Section 6707A(c)(1) of the Code and Section 1.6011-4(b) of the Treasury Regulations.

(h) Except as set forth in Schedule 4.7(h), no claim has been made by any Tax Authority that the Company or any of its Subsidiaries is or may be subject to Tax in a jurisdiction in which it does not file Tax Returns.

(i) Except as set forth in Schedule 4.7(i), neither the Company nor any of its Subsidiaries shall be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing as a result of any: (A) change in method of accounting (and neither the Company nor any of its Subsidiaries has an application pending with the IRS or any other Tax Authority requesting permission for any change in accounting method), (B) "closing agreement" with an applicable Tax Authority executed on or prior to the Closing Date, (C) intercompany transactions or any excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or non-U.S. Tax law), (D) installment sale or open transaction disposition made on or prior to the Closing Date, (E) prepaid amount received on or prior to the Closing Date, (F) use of an improper method of accounting for a taxable period ending on or prior to the Closing Date, or (G) election under Section 108(i) of the Code.

(j) The Company has made available to Parent, prior to the date of this Agreement, correct and complete copies of all income and other material Tax Returns of the Company and its Subsidiaries, examination reports, and statements of deficiencies assessed against or agreed to by the Company or any of its Subsidiaries, in each case since 2015. In the case of each such Tax Return, the Company has indicated whether it was subject to audit, examination, adjustment, deficiency, or any other form of controversy.

(k) Neither the Company nor any of its Subsidiaries is a party to any Contract, arrangement or plan that has resulted or could result, separately or in the aggregate, in the payment of any amount that will not be fully deductible as a result of Section 162(m) of the Code (or any corresponding provision of state, local, or non-U.S. Tax law).

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

(m) Neither the Company nor any of its Subsidiaries has distributed stock of another Person, or has had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Section 355 of the Code or Section 361 of the Code.

(n) Each of the Company and its Subsidiaries has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Section 6662 of the Code.

(o) No deficiency assessment with respect to, or proposed adjustment of, the Company or any of its Subsidiaries' Taxes is pending.

(p) Except as set forth in Schedule 4.2(p), the unpaid Taxes of the Company and any of its Subsidiaries (i) did not, as of the most recent fiscal month end, exceed the reserve for Tax liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the most recent balance sheet (rather than in any notes thereto) and (ii) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of the Company and its Subsidiaries in filing their Tax Returns.

(q) The Company and each of its Subsidiaries is in compliance with applicable United States (including federal, state, and local) and foreign transfer pricing laws and regulations in all respects, including the execution and maintenance of contemporaneous documentation (including principal documents and background documents described at Treasury Regulation Section 1.6662-6) substantiating the transfer pricing practices and methodology relating

to the Company and its Subsidiaries.

(r) Except as set forth in Schedule 4.7(r), neither the Company nor any of its Subsidiaries (A) is a "controlled foreign corporation" as defined in Code Section 957, (B) is a "passive foreign investment company" within the meaning of Code Section 1297, or (C) has a permanent establishment (within the meaning of an applicable Tax treaty) or otherwise has an office or fixed place of business outside the United States.

(s) Neither the Company nor any of its Subsidiaries is, or has ever been, an S corporation within the meaning of Code Section 1361 or a qualified subchapter S subsidiary within the meaning of Treasury Regulations Section 1.1361-2.

(t) Neither the Company nor any of its Subsidiaries is a party to any agreement, contract, arrangement or plan that has resulted or could result, separately or in the aggregate, in the payment of any ''excess parachute payment'' within the meaning of Code Section 280G (or any corresponding provision of state, local, or non-U.S. Tax Law).

(u) Each of the Company and its Subsidiaries has collected and remitted to the appropriate Tax Authorities all Taxes payable with respect to services provided, or tangible personal property transferred, to its customers.

(v) Each of the Company and its Subsidiaries has timely and accurately filed all FinCEN Forms 114 (or predecessor forms) that it was required to file.

Section 4.8 Compliance with Laws; Permits .

(a) The Company and its Subsidiaries are and have been in compliance with applicable Laws and Orders in all material respects. No investigation, review or Legal Action by any Governmental Authority or Judicial Authority in relation to any actual or alleged violation of applicable Law or Order by the Company or any of its Subsidiaries is pending or, to the Knowledge of the FT Stockholders or the Company, threatened, nor has any FT Stockholder, the Company or any of its Subsidiaries received any written notice from any Governmental Authority or Judicial Authority indicating an intention to conduct the same or alleging any violation of or noncompliance with any applicable Law or Order. Neither the Company nor any of its Subsidiaries is a party to or subject to any Order, consent or Contract that: (i) materially restricts its ability to conduct any of its business; or (ii) would otherwise reasonably be expected to, either individually or in the aggregate, result in a Material Adverse Effect on the Company or any of its Subsidiaries.

(b) Except as set forth on Schedule 4.8(b), the Company and each of its Subsidiaries have obtained all Permits reasonably necessary for them to conduct their businesses and to own and operate property used in their businesses and all of such Permits are valid and in full force and effect. No material defaults or violations exist or have been recorded in respect of any of such Permits. No Legal Action is pending or, to the Knowledge of the FT Stockholders or the Company, threatened, concerning the rescission, suspension, modification, revocation, withdrawal, cancellation, termination, limitation or non-renewal of any Permit (except any pending renewal applications). Since January 1, 2015, neither the FT Stockholders, the Company nor any of its Subsidiaries has had any Permit that was used in the conduct of its business rescinded, suspended, modified, revoked, withdrawn, cancelled, terminated, limited or not renewed, and neither the FT Stockholders nor the Company has any reason to believe that any such Permit shall be rescinded, suspended, modified, revoked, withdrawn, cancelled, terminated, limited or not renewed in the future.

Section 4.9 Certain Payments. Neither the Company nor any of its Subsidiaries, or, to the Knowledge of the FT Stockholders and the Company, any of their Affiliates, or any member of the board of directors (or comparable governing body) or officer of the Company or any of its Subsidiaries or Affiliates, or any consultant, agent, employee or other Person acting for or on behalf of the Company or any of its Subsidiaries or Affiliates, has: (a) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity; (b) directly or indirectly, paid or delivered any fee, commission or other sum of money or item of property, however characterized, to any finder, agent, or other Person acting on behalf of or under the auspices of a governmental official or Governmental Authority which is in any manner illegal under any Laws of the United States or any other country having jurisdiction; or (c) made any payment to any customer or supplier of the Company or any of its Subsidiaries or Affiliates, or given any other consideration to any such customer or supplier that violates applicable Law, including any Legal Requirements relating to any unlawful bribe, rebate, payoff, influence payment, kickbacks, money laundering, political contributions, gift or gratuities. Without limiting the foregoing, none of the Company or any of its Subsidiaries or Affiliates or any member of the board of directors (or comparable governing body) or officer of the Company or any of its Subsidiaries or Affiliates, or any consultant, agent, employee or other Person acting for or on behalf of the Company or any of its Subsidiaries or Affiliates, has, directly or indirectly, taken any action that would result in a violation by such Persons of the FCPA or any rules or regulations thereunder or any other applicable anti-corruption Law, including: (x) by making use of the mails or any means or instrumentality of interstate commerce in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value, directly or indirectly, to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office to secure official action, or to any Person (whether or not a foreign official) to influence that Person to act in breach of a duty of good faith, impartiality or trust ("acting improperly") or to reward the Person for acting improperly, in contravention of the FCPA or any other applicable anticorruption Law; (y) by requesting, agreeing to receive or accepting a financial or other advantage intending that, as a consequence, anyone's work duties shall be performed improperly, or as a reward for anyone's past improper performance; or (z) by otherwise offering or conveying, directly or indirectly (such as through an agent), anything of value to obtain or retain business or to obtain any improper advantage, including any bribe, rebate, payoff, influence payment, kickback or other similar unlawful payment to a foreign government official, candidate for office, or political party or official of a political party. The Company and its Subsidiaries and Affiliates have conducted their respective businesses in compliance with all applicable anti-corruption Laws, including the FCPA. The Company and its Subsidiaries and Affiliates have instituted and maintained policies and procedures designed to cause each such Person to comply with all applicable anti-corruption Laws, including the FCPA. Since January 1, 2015, neither the Company nor any Subsidiary thereof has conducted or initiated any internal investigation for which it engaged a third party investigator or with respect to which a presentation was made to the board of directors (or similar governing body, as applicable), or made a voluntary, directed, or involuntary disclosure to any Governmental Authority, with respect to any alleged act or omission arising under or relating to any noncompliance with the FCPA or any other Legal Requirements referred to in this Section 4.9.

Section 4.10 Sanctions .

(a) Neither the Company nor any of its Subsidiaries, nor any of their directors, officers or employees, nor, to the Knowledge of the FT Stockholders and the Company, any agent, Affiliate or representative of the Company or any of its Subsidiaries, is an individual or entity that is, or is owned or controlled by an individual or entity that is:

(i) the subject of any Sanctions, or

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Crimea, Cuba, Iran, North Korea, Russia, Syria and Venezuela).

(b) None of the Company Stockholders, the Company nor any of its Subsidiaries will, directly or indirectly, use the proceeds of the Transactions, or lend, contribute or otherwise make available such proceeds to any Subsidiary, Affiliate, joint venture partner or other individual or entity:

(i) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Person.

(c) For the past five (5) years, neither the Company nor any of its Subsidiaries has knowingly engaged in, and is not now knowingly engaged in, any dealings or transactions with any individual or entity, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

Section 4.11 Brokers. No broker, finder, investment banker or other Person has been engaged by a Company Stockholder, the Company or any of its Subsidiaries that is entitled to any brokerage, finder's or other fee or commission from a Company Stockholder, the Company or any of its Subsidiaries in connection with the Transactions.

Section 4.12 Anti-Takeover Measures. Neither the Company nor any of its Subsidiaries is a party to a rights agreement, poison pill or similar Contract, arrangement or plan.

Section 4.13 Full Disclosure. No representation or warranty or other statement made by the Company or the FT Stockholders in this Agreement or the Company Disclosure Schedules contain any material misstatement of fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

Section 4.14 Accounts Receivable; Accounts Payable. Except as set forth on Schedule 4.14, all accounts receivable of the Company and its Subsidiaries reflected in the Company Unaudited Financial Statements for the fiscal year ended December 31, 2018 and all accounts receivable that are reflected in the records of the Company and its Subsidiaries as of the Closing Date (net of allowances for doubtful accounts as reflected thereon and as determined in accordance with GAAP) (collectively, the " **Accounts Receivable** ") are obligations arising from sales actually made or services actually performed in the Ordinary Course of Business arising in connection with bona fide arm's length transactions with Persons who are not Affiliates of the Company or the Subsidiaries of the Company, constitute valid undisputed claims and are not, by their terms, subject to defenses, set-offs or counterclaims. None of the FT Stockholders, the Company nor any of its Subsidiaries has received written notice from or on behalf of any obligor of any such Accounts Receivable that such obligor is unwilling or unable to pay a material portion of such Accounts Receivable. All accounts payable and notes payable of the Company and its Subsidiaries arose in bona fide arm's length transactions in the Ordinary Course of Business and, except as set forth in Section 4.14, with Persons who are not Affiliates of the Company or any of its Subsidiaries, and no such account payable or note payable is materially delinquent in its payment.

Section 4.15 Projections . Schedule 4.15 sets forth a correct and complete copy of the financial projections with respect to the Company made available by the Company to Parent. Such projections are the most recent financial projections prepared by the Company, were prepared in good faith, and based on assumptions that the Company believes are reasonable. The Company has not prepared or provided projections to any third party since January 1, 2018 that are materially different from the projections set forth in Schedule 4.15.

Section 4.16 Insurance. Except as set forth in Schedule 4.16, all insurance policies maintained by the Company or any of its Subsidiaries under which the assets, properties or liabilities of the Company and/or its Subsidiaries are insured (the " **Company Insurance Policies** ") are set forth on Schedule 4.16 hereto, and are in full force and effect and maintained with financially sound and reputable insurers and constitute insurance that is customarily carried or maintained under similar circumstances by Persons of established reputation engaged in similar businesses as the Company and its Subsidiaries, in such amounts, with such deductibles, covering such risks and otherwise on such terms and conditions that are customary for such Persons. All premiums payable under the Company Insurance Policies have been paid to the extent such premiums are due and payable, and the Company and its Subsidiaries have otherwise complied with the terms and conditions of all of the Company Insurance Policies. The Company has not received any written notice or indication of, and to the Knowledge of the FT Stockholders and the Company, there is no threat of, termination of, premium increase with respect to (excluding premium increases that occur in connection with renewals of the Company Insurance Policies), or material alteration of coverage under, any of the Company Insurance Policies, and there are no facts or circumstances that would reasonably be expected to give rise to any such termination, premium increase or alteration. There are no pending material disputes between the Company or any of its Subsidiaries, on the one hand, and any underwriters of any of the Company Insurance Policies on the other hand. Except as set forth in Schedule 4.16, no claims have been denied under the Company Insurance Policies at any time since January 1, 2015. Since January 1, 2015, there have been no gaps in the Company's and its Subsidiaries' insurance coverage.

Section 4.17 Employee Benefit Plans .

(a) Schedule 4.17(a) sets forth a complete list of each Benefit Plan of the Company and its Subsidiaries that has been in effect since July 1, 2015. Correct and complete copies of all documents comprising such Benefit Plans, including: (i) all plan documents (or, in the case of any such Benefit Plan that is unwritten, an accurate description thereof); (ii) the most recent summary plan descriptions for each such Benefit Plan for which a summary plan description is required; (iii) the three (3) most recent annual reports on IRS Form 5500 required to be filed with the IRS with respect to each such Benefit Plan (if any such report is required); and (iv) each trust agreement and insurance or group annuity Contract relating to any such Benefit Plan, have been provided to Parent.

(b) All Benefit Plans of the Company and its Subsidiaries are valid and binding and in full force and effect, and there are no material defaults by the Company or any of its Subsidiaries thereunder. Each such Benefit Plan has been administered and operated in all material respects in accordance with its terms and with all applicable provisions of ERISA, the Code, and other applicable Law, and the Company and each ERISA Affiliate has performed and

complied in all material respects with all of its obligations under or with respect to each such Benefit Plan, including the reporting and disclosure obligations and fiduciary obligations under ERISA. Any such Benefit Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the IRS, and no event has occurred and no condition exists which would reasonably be expected to result in the revocation of any such determination letter. Except as set forth in Schedule 4.17(b), neither the Company nor any of its Subsidiaries provides any post-employment or retiree welfare benefits under any Benefit Plan. There are no pending or, to the Knowledge of the Company, threatened Legal Actions relating to any such Benefit Plan. Neither the Company nor any other "disqualified person" or "party in interest" (as defined in Section 4975(e)(2) of the Code and Section 3(14) of ERISA, respectively) has engaged in, or failed to engage in, any transactions with respect to any such Benefit Plan that are reasonably likely to subject the Company or any of its Subsidiaries to any material Tax, damages or penalties imposed by Section 409A, 4975 or 4980B of the Code or Section 502(i), 502(c), 502(1) and 601 through 608 of ERISA.

(c) Except as set forth in Schedule 4.17(c), no Benefit Plan of the Company or its Subsidiaries, and no employee benefit plan contributed to by an ERISA Affiliate, is subject to Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and none the Company nor any ERISA Affiliate has contributed to any such plan during the six year period immediately preceding the date of this Agreement or the Closing Date. No such Benefit Plan is a multiple employer welfare arrangement within the meaning of Section 3(40) of ERISA.

(d) (i) All contributions and all premium payments required to be made, and required claims to be paid, under the terms of any Benefit Plan of the Company and its Subsidiaries have been timely made or reserves established therefor on the Company Unaudited Financial Statements, which reserves are adequate in all material respects, (ii) neither the Company nor any of its Subsidiaries has received any notice that any such Benefit Plan is under audit or review by any Governmental Authority and no audit or review is pending, (iii) any Benefit Plan of the Company or its Subsidiaries which is a "nonqualified deferred compensation plan" (within the meaning of Section 409A of the Code) that the Company or any Subsidiary thereof is a party to has been operated and administered in material compliance with Section 409A of the Code and any proposed and final guidance under Section 409A of the Code, (iv) the Transactions shall not result in any payments, which alone or, together with any other payments, shall fail to be deductible as a result of the application of Section 280G of the Code, and (v) neither the Company nor any of its Subsidiaries has filed, or is considering filing, an application under the IRS Employee Plans Compliance Resolution System or the Department of Labor's Voluntary Fiduciary Correction Program with respect to any Benefit Plan.

(e) Schedule 4.17(e) sets forth a complete and correct list of all Benefits Liabilities of the Company and its Subsidiaries.

Section 4.18 Securities Laws Issues .

(a) Each of the Company Stockholders understands that the shares of the Parent Common Stock to be issued under this Agreement constitute "restricted securities" and have not been registered under the Securities Act or any applicable state securities law. Each Company Stockholder represents that such Company Stockholder is acquiring the Parent Common Stock for such Company Stockholder's own account and not with a view to or for distributing or reselling such shares or any part thereof in violation of the Securities Act or any applicable state securities law, has no intention of distributing any of such shares in violation of the Securities Act or any applicable state securities law and has no arrangement or understanding with any other Persons regarding the distribution of such shares (this representation and warranty not limiting each Company Stockholder's right to sell such shares in compliance with applicable federal and state securities laws) in violation of the Securities Act or any applicable state securities law.

(b) Each of the Company Stockholders is an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act. No Company Stockholder is required to be registered as a broker-dealer under Section 15 of the Exchange Act.

(c) Each of the Company Stockholders, either alone or together with such Company Stockholder's representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the Transactions, and has so evaluated the merits and risks of such Transactions. Each of the Company Stockholders is able to bear the economic risk of performing the Transactions and, at the present time, is able to afford a complete loss of such Company Stockholders' investment in the Parent Common Stock.

(d) Each of the Company Stockholders is not obtaining the Parent Common Stock as a result of any advertisement, article, notice or other communication regarding such shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement. Each of the Company Stockholders further acknowledge that such Company Stockholder has a pre-existing relationship with the Company such as being an officer or director or a holder of currently outstanding securities of the Company.

(e) Each of the Company Stockholders acknowledges that such Company Stockholder has reviewed the SEC Documents and the Transaction Documents and has been afforded (i) the opportunity to ask such questions as such Company Stockholder has deemed necessary of, and to receive answers from, representatives of Parent concerning the terms and conditions of the Transaction and the merits and risks of obtaining the Parent Common Stock; (ii) access to information about Parent and its Subsidiaries and their respective financial conditions, results of operations, businesses, properties, management and prospects sufficient to enable it to evaluate the Transactions; and (iii) the opportunity to obtain such additional information that Parent possesses or can acquire without unreasonable effort or expense that is necessary to make an informed decision with respect to the Parent Common Stock.

Section 4.19 Material Contracts .

(a) Schedule 4.19(a) sets forth a correct and complete list of the following Contracts to which the Company or any of its Subsidiaries is a party or by which any of them is bound (collectively, the " **Material Contracts** "):

(i) any Contract, other than the IP Contracts, under which the Company or any of its Subsidiaries sold or purchased (or agreed to sell or purchase) products or services pursuant to which the aggregate of payments due to or from Company or its Subsidiaries, respectively, in the one year period ending on December 31, 2018, was equal to or exceeded $50,000;

(ii) any Contract for the employment or separation of any officer, director or management-level employee or consultant of Company or its Subsidiaries earning more than $25,000 per year in base salary in a full-time, part-time, consulting or other basis;

(iii) any Contract under which the Company or any of its Subsidiaries has agreed to indemnify any third Person with respect to, or to otherwise share, any of the Liabilities of any Person for Taxes, other than Contracts with suppliers or customers in the Ordinary Course of Business in

which no payments on account of Liabilities for Taxes have been made or incurred or are reasonably expected to be made or incurred;

(iv) any Contract involving a commitment by the Company or any of its Subsidiaries to (A) make a capital expenditure (1) with a term of more than three years from the date of this Agreement or (2) with respect to which the aggregate expenditures are expected to exceed or from the Closing Date $10,000 in any fiscal year or (B) to purchase any capital asset for at least $10,000;

(v) any Contract that contains a covenant not to compete that limits or shall limit the Company or any of its Subsidiaries from engaging in any business or activity or competing with any Person in any geographic market;

(vi) any lease or similar agreement pursuant to which: (A) the Company or any of its Subsidiaries is the lessee of, or holds or uses, any machinery, equipment, vehicle or other tangible personal property owned by any Person for an annual rent in excess of $10,000, (B) the Company or any of its Subsidiaries is the lessor of, or makes available for use by any Person, any tangible personal property owned by any of them for an annual rent in excess of $10,000 or (C) the Company or any of its Subsidiaries is the lessee of, or holds or uses, any real property owned by any Person for an annual rent in excess of $10,000;

(vii) any Contract establishing or agreeing to establish a partnership or joint venture;

(viii) any asset purchase agreements, stock purchase agreements, or other acquisition or divestiture agreements, including any Contracts relating to the sale, lease or disposal of any properties or assets not in the Ordinary Course of Business for consideration in excess of $10,000 individually;

(ix) any Contract relating to Indebtedness of the Company or any of its Subsidiaries in excess of $10,000;

(x) any Contract under which the Company or any of its Subsidiaries has directly or indirectly guaranteed any Liabilities of any Person or agreed to indemnify or otherwise be responsible for the Liabilities of any other Person, in either case for Liabilities in excess of $10,000 individually;

(xi) any Contract with any current employee, officer, director or Affiliate of the Company or any of its Subsidiaries;

(xii) any Contract with any labor union or association representing any employee of the Company or any of its Subsidiaries;

(xiii) any Contract providing for the settlement of any material claim against the Company or any of its Subsidiaries pursuant to which the Company or any of its Subsidiaries has any existing obligations;

(xiv) any IP Contract;

(xv) any Contract that would prohibit or is otherwise reasonably likely to materially delay the consummation of the Transactions;

(xvi) any other Contracts that are material to the Company or any of its Subsidiaries;

(xvii) any Contract with a Governmental Authority;

(xviii) any power of attorney or proxy granted by the Company or any of its Subsidiaries, whether limited or general, revocable or irrevocable;

(xix) any Contract with a Person organized under the laws of a foreign country or having its principal place of business in a foreign country which provides for payments to the Company or any of Subsidiaries in excess of $5,000 in any fiscal year; and

(xx) any commitments or Contracts to enter into any of the foregoing.

(b) Except as set forth in Schedule 4.19(b), all Material Contracts are legally valid and binding obligations of the Company or its applicable Subsidiary and, to the Knowledge of the FT Stockholders and the Company, are legally valid and binding obligations of the other parties thereto, subject in each case to the Equitable Exceptions, and each Material Contract is in full force and effect. Except as set forth in Schedule 4.19(b): (i) neither the Company nor any of its Subsidiaries is in breach of, or default under, any Material Contract, and (ii) to the Knowledge of the FT Stockholders and the Company, no other party to any Material Contract is in breach thereof or default thereunder. Neither the Company nor any of its Subsidiaries has received written notice of any breach of, or default under (or any condition which, with the passage of time or the giving of notice, would cause a breach of, or default under), any Material Contract. Except as set forth in Schedule 4.19(b), to the Knowledge of the Company there are no reasons or causes on the basis of which, following the execution of any of the undertakings or actions provided for in this Agreement and, generally, following the Merger, the respective contractual counterparties could terminate or withdraw from or amend or modify any of the Material Contracts except as set forth by the terms of such Material Contracts.

Section 4.20 Customers . Schedule 4.20 sets forth a correct and complete list of the top twenty (20) customers of the Company and its Subsidiaries, measured by revenue received by the Company and its Subsidiaries from such customers for the years ended December 31, 2017 and December 31, 2018. The Company reasonably believes that it or its relevant Subsidiary has a good relationship with each of its customers and neither the Company nor any of its Subsidiaries has, since January 1, 2015, been involved in any material dispute with any of its customers. Except as set forth on Schedule 4.20, no customer of the Company or any of its Subsidiaries has (a) since January 1, 2015, canceled or otherwise terminated prior to the expiration, or, to the Company's Knowledge, expressly threatened to cancel or otherwise terminate prior to the expiration or not renew, its relationship with the Company or any of its Subsidiaries or (b) with respect to any Material Contract, since January 1, 2017, decreased by more than ten percent (10%) or, to the Company’s Knowledge, threatened to decrease or limit by more than ten percent (10%), the dollar amount of its business with the Company, in each case other than in the Ordinary Course of Business . Neither the Company nor any of its Subsidiaries has received any written notice or other communication stating, and does not otherwise have any reason to believe, that the Transactions will adversely affect the relations of the Company or any of its Subsidiaries with any customer.

Section 4.21 Intellectual Property .

(a) Schedule 4.21(a) lists all registered Intellectual Property and software that is owned or purported to be owned by the Company or any of its Subsidiaries, including a true and complete list of all registrations and applications for the registration with a Governmental Authority or Internet domain name registrar of owned Intellectual Property (collectively, the " **Registered Intellectual Property** "), indicating for each such item, as applicable, the application or registration number and date and jurisdiction of filing or issuance. Each item of Registered Intellectual Property is (i) valid, subsisting and enforceable, (ii) currently in compliance with any and all Legal Requirements necessary to maintain the validity and enforceability thereof and record and perfect the Company's and/or its Subsidiary's interest therein, and (iii) not subject to any outstanding Order, ruling or agreement materially adversely affecting the Company's or any of its Subsidiaries' use thereof or rights thereto, or that would impair the validity or enforceability thereof. Except as set forth on Schedule 4.21(a), all Intellectual Property and software that is purported to be owned by the Company or any of its Subsidiaries (the " **Owned IP** ") is owned solely by the Company or its Subsidiaries, free and clear of all Liens. Schedule 4.21(a) lists all Contracts to which the Company or any of its Subsidiaries is a party, either as licensor or licensee, with respect to: (a) any Owned IP, or (b) any other Intellectual Property or software that is necessary for or used in the conduct of the business of the Company or any of its Subsidiaries as conducted by the Company and its Subsidiaries on the date of this Agreement and as of the Closing Date, except for non-exclusive licenses to generally-available software subject to "shrink-wrap" or "click-through" software licenses and non-exclusive licenses to Intellectual Property or software providing for payments of less than $50,000 in in the one year period ending December 31, 2018, including without limitation Intellectual Property or software owned by an Affiliate or Related Party of the Company and used by the Company or any of its Subsidiaries (collectively, the " **IP Contracts** "). All IP Contracts are in full force and effect, subject to the Equitable Exceptions, with no default on the part of the Company or the Company's applicable Subsidiary that is a party thereto or, to the Knowledge of the Company, on the part of the other parties thereto. The Company and each of its Subsidiaries has good and valid title to or the right to use all Intellectual Property and software necessary for the conduct of its businesses as conducted by the Company and its Subsidiaries on the date hereof and as of the Closing Date, without the payment of any royalty or similar payment. Neither the conduct of the business by the Company and each of its Subsidiaries, as conducted by on the date of this Agreement and as of the Closing Date, nor their use of any Owned IP or other Intellectual Property, infringes on (whether directly or indirectly), misappropriates, or otherwise violates any Intellectual Property right of any other Person, and there are no claims pending or, to the Knowledge of the FT Stockholders or the Company, threatened against the Company or any of its Subsidiaries claiming that owned IP infringes on (whether directly or indirectly), misappropriates, or otherwise violates any Intellectual Property right of any other Person. To the Knowledge of the FT Stockholders or the Company, no other Person is infringing (whether directly or indirectly), misappropriating, or otherwise violating any Owned IP.

(b) The Company and each of its Subsidiaries has taken commercially reasonable measures to maintain the confidentiality of all confidential Intellectual Property used or held for use in the operation of its business. No trade secrets or other confidential Intellectual Property have been disclosed by the Company or any of its Subsidiaries to any Person except pursuant to appropriate non-disclosure or license agreements that (i) obligate such Person to keep such confidential Intellectual Property confidential both during and after the term of such agreement, and (ii) are valid, subsisting, in full force and effect and binding on the Company or its Subsidiaries, as applicable, and with respect to which neither the Company nor its Subsidiaries nor, to the Knowledge of the FT Stockholders or the Company, any other party thereto, is in default thereunder and to the Knowledge of the FT Stockholders or the Company, no condition exists that with notice or the lapse of time or both could constitute a default thereunder. The Company and each of its Subsidiaries has taken commercially reasonable steps to protect and maintain the Owned IP. Except as set forth on Schedule 4.21(b), the Company and each of its Subsidiaries has and enforces policies requiring each employee, consultant and independent contractor who has created Intellectual Property for or on behalf of the Company or any of its Subsidiaries to execute a proprietary rights assignment and confidentiality agreement substantially in the form provided to Parent, and all current and former employees, consultants and independent contractors of the Company and its Subsidiaries who have created or developed Owned IP have executed such an agreement. To the Knowledge of the Company, no employee, consultant or independent contractor of the Company or any of its Subsidiaries is in default or breach of any term of such agreement.

(c) Neither the Company nor any of its Subsidiaries has disclosed, delivered or licensed to any Person, agreed to disclose, deliver or license to any Person, or permitted the disclosure or delivery to any escrow agent or other Person of, any source code for any software included in the Owned IP (the " **Company Software** ") except for disclosures to employees, contractors or consultants under agreements that prohibit use or disclosure except in the performances of services to the Company or its Subsidiaries. No third party is currently in possession of any such source code. No Public Software is incorporated into, forms part of, has been used in connection with the development of, or has been distributed with, in whole or in part, any Company Software in a manner which would require that such Company Software; (i) be disclosed or distributed in source code form, made available at no charge or otherwise licensed to third parties; (ii) be subject to any restriction on the consideration to be charged for the distribution thereof; or (iii) be decompiled, disassembled or otherwise reverse-engineered (except as required by applicable Law). The Company and each of its Subsidiaries is in compliance with all applicable licenses with respect to any such Public Software.

Section 4.22 Labor Matters .

The Company and each of its Subsidiaries is conducting its business in compliance in all material respects with all labor laws. There are no collective bargaining or other labor union agreements to which the Company or any of its Subsidiaries is a party or by which any of them is otherwise bound relating to the business of the Company or any of its Subsidiaries. Since January 1, 2015, neither the Company nor any of its Subsidiaries has encountered any labor union organizing activity, or had any actual or, to the Knowledge of the FT Stockholders or the Company, threatened employee strikes, work stoppages, slowdowns or lockouts. There are no unfair labor practice charges, grievances or complaints pending or, to the Knowledge of the FT Stockholders or the Company, threatened by or on behalf of any employee or group of employees of the Company or any of its Subsidiaries. There are no complaints, charges, or claims brought or filed against the Company or any of its Subsidiaries pending, or to the Knowledge of the FT Stockholders or the Company, threatened to be brought or filed by an employee of the Company or any of its Subsidiaries, with any Governmental Authority or Judicial Authority based on, arising out of, in connection with, or otherwise relating to the employment or termination of employment or any individual by the Company or any of its Subsidiaries.

Section 4.23 Real Property and Tangible Assets .

(a) Neither the Company nor any of its Subsidiaries owns any real property or interest therein. Schedule 4.23(a) sets forth a complete list of (i) all Leased Real Property and (ii) a description of the leases for Leased Real Property.

(b) The assets owned or leased by the Company and its Subsidiaries are: (i) all of the assets that are or have in the past five years been used by the Company and its Subsidiaries in the conduct of their businesses as of the date of this Agreement and as of the Closing Date; and (ii) all of the tangible assets necessary for the conduct of the businesses of the Company and its Subsidiaries, as presently conducted and planned to be conducted by the Company and its

Subsidiaries as of the Closing (the " **Company Assets** "). Except as set forth on Schedule 4.23(b), the Company or its relevant Subsidiary has good and marketable title to, or, in the case of leased assets, valid and subsisting leasehold interests in (subject to the Equitable Exceptions), all of the Company Assets, free and clear of all Liens except Permitted Liens. There has not occurred and, to the Knowledge of the FT Stockholders or the Company, there is not expected to occur any circumstance or event that would (1) cause any Company Asset to cease to be owned or leased (as applicable) by the Company or the Company's applicable Subsidiary prior to or immediately after the Closing; or (2) except as set forth on Schedule 4.23(b), interfere with the current use, occupancy or operation of any such Company Asset.

Section 4.24 Environmental Matters. The operations of the Company and its Subsidiaries have complied with, and are currently in compliance, in each case in all material respects with, all applicable Environmental Laws. None of the Company nor any of its Subsidiaries has received any written notice of or, to the Knowledge of the FT Stockholders or the Company, been threatened or charged with, any violation respecting any: (a) Environmental Laws; (b) Remedial Actions; or (c) Release or threatened Release of a Hazardous Material. No Permits are necessary for the Company or any of its Subsidiaries to conduct its business as currently conducted in compliance with applicable Environmental Laws.

Section 4.25 Privacy . The Company and each of its Subsidiaries has in place privacy policies regarding the collection, use and disclosure of Personal Information in its possession, custody or control, or otherwise held or processed on its behalf. The Company and each of its Subsidiaries are and have been (and following the consummation of the Transactions will be) in compliance in all material respects with all Information Privacy and Security Laws, Contracts to which any of them is a party that contain, involve or deal with Personal Information, and their own rules, policies and procedures relating to privacy, data protection, and the collection and use of, Personal Information. None of the Company or any of its Subsidiaries has been notified of or, to the Knowledge of the FT Stockholders or the Company, is the subject of any Legal Action related to data security or privacy or alleging a violation of any of its privacy policies or any Information Privacy and Security Law, nor, to the Knowledge of the FT Stockholders or the Company, is any such Legal Action threatened. The Company and each of its Subsidiaries has taken commercially reasonable measures to protect and maintain the confidentiality of all Personal Information collected by or on behalf of the Company or any of its Subsidiaries and to maintain the security of its data storage practices for Personal Information, in each case, in accordance with all applicable Information Privacy and Security Laws and consistent with commercially reasonable industry practices applicable to such types of data gathered and maintained in the industry in which the Company and its Subsidiaries conduct their business. To the Knowledge of the FT Stockholders or the Company, there has been no unauthorized access, use, or disclosure of Personal Information in the possession or control of the Company or any of its Subsidiaries.

Section 4.26 Information Technology . The Company's and its Subsidiaries' IT Systems: (a) constitute all information technology assets necessary to conduct the businesses of the Company and its Subsidiaries in the manner in which their businesses are conducted as of the date of this Agreement and as of the Closing; (b) are adequate, sufficient and satisfactory in all material respects (including with respect to working condition, capacity, data storage and transmittal capability, functionality and performance) for the operations of the businesses of the Company and each of its Subsidiaries as conducted as of the date of this Agreement and as of the Closing; (c) are maintained and in good working condition; (d) have functioned consistently and accurately in all respects since being installed, (e) do not contain any disabling codes or instructions, "time bombs," "Trojan horses," "back doors," "trap doors," "worms," viruses, bugs, faults or other software routines or hardware components that significantly disrupt or adversely affect the functionality of any IT Systems; and (f) have not suffered any material failure, security breach or unauthorized intrusion since January 1, 2015. There are no substantial alterations, modifications or updates to the Company's or its Subsidiaries' IT Systems currently planned or to the Knowledge of the FT Stockholders or the Company which will be required to continue the operations of their businesses as conducted as of the date of this Agreement and as of the Closing. The Company and its Subsidiaries have implemented commercially reasonable backup, security and disaster recovery measures and technology consistent with industry practices and no Person has gained unauthorized access to any IT Systems of the Company or any of its Subsidiaries.

Section 4.27 Related Party Transactions . Except as set forth on Schedule 4.27, neither the Company nor any of its Subsidiaries is party to any direct or indirect Contract, business arrangement or commercial relationship with, provides services to or receives services from, has any Liabilities or obligations to, or is owed any Liabilities or obligations by, any Related Party. Except as set forth on Schedule 4.27, no Related Party owns or holds, directly or indirectly, any material property or right (whether tangible or intangible) that is used by the Company or any of its Subsidiaries. Other than obligations to pay compensation arising in the Ordinary Course of Business, there are no debts or other obligations owed by the Company or any of its Subsidiaries to any stockholder, director, manager, officer, consultant or employee of the Company or any of its Subsidiaries.

ARTICLE V
COVENANTS

Section 5.1 Conduct of Business. The Company shall, and the FT Stockholders shall cause the Company to, during the period from the date of this Agreement until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, except as expressly set forth in this Agreement or as required by applicable Law or with the prior written consent of Parent, conduct its business in the Ordinary Course of Business and, to the extent consistent therewith, the Company shall use commercially reasonable efforts to preserve substantially intact the business organization of the Company and its Subsidiaries, to keep available the services of the current officers and employees of the Company and its Subsidiaries, and to preserve the present relationships of the Company and its Subsidiaries with customers, suppliers, distributors, licensors, licensees and other Persons having business relationships with the Company and its Subsidiaries. Without limiting the generality of the foregoing, between the date of this Agreement and the earlier of the termination of this Agreement in accordance with its terms or the Effective Time, (x) the Company shall and shall cause each of its Subsidiaries to, and the FT Stockholders shall cause the Company and each of its Subsidiaries to, manage its accounts receivable and accounts payable and maintain the ratio of accounts receivable to accounts payable in the Ordinary Course of Business and (y) except as otherwise expressly set forth in this Agreement or as required by applicable Law, the Company shall not and shall not permit any of its Subsidiaries to, and the FT Stockholders shall not permit the Company or any of its Subsidiaries to, without the prior written consent of Parent:

(a) amend or propose to amend its Charter Documents;

(b) (i) split, combine, or reclassify any of its securities, (ii) repurchase, redeem, or otherwise acquire, or offer to repurchase, redeem, or otherwise acquire, any of its securities, or (iii) declare, set aside, or pay any dividend or distribution (whether in cash, stock, property, or otherwise) in respect of, or enter into any Contract with respect to the voting of, any shares of its capital stock (other than dividends from its direct or indirect wholly owned Subsidiaries); provided that nothing herein shall prevent the Company from distributing cash to the Company Stockholders on or prior to the Closing so long as the Company has free and unrestricted cash of not less than $500,000.00 as of the Closing and immediately after giving effect to the Merger;

(c) issue, sell, pledge, dispose of, or encumber or create any Lien on any of its property or assets, except for Permitted Liens;

(d) except as required by applicable Law or by any Benefit Plan or Contract in effect as of the date of this Agreement (i) increase the compensation payable or that could become payable to directors, officers, or employees, other than increases in compensation made to non-officer employees in the Ordinary Course of Business, (ii) promote any officers or employees, except as the result of the termination or resignation of any officer or employee, or (iii) establish, adopt, enter into, amend, terminate, exercise any discretion under, or take any action to accelerate rights under any Benefit Plan or any plan, agreement, program, policy, trust, fund, or other arrangement that would be a Benefit Plan if it were in existence as of the date of this Agreement, or make any contribution to any Benefit Plan, other than contributions required by Law, the terms of such Benefit Plan as in effect on the date of this Agreement, or that are made in the Ordinary Course of Business; provided that nothing herein shall prevent the Company from paying bonuses to employees of the Company on or prior to the Closing so long as the Company has free and unrestricted cash of not less than $500,000.00 as of the Closing and immediately after giving effect to the Merger;

(e) acquire, by merger, consolidation, acquisition of stock or assets, or otherwise, any business or Person or division thereof or make any loans, advances, or capital contributions to or investments in any Person;

(f) (i) transfer, license, sell, lease, or otherwise dispose of (whether by way of merger, consolidation, sale of stock or assets, or otherwise) or pledge, encumber, or otherwise permit to be subject to any Lien, any assets; *provided, that* the foregoing shall not prohibit the Company or any of its Subsidiaries from transferring, selling, leasing, or disposing of obsolete equipment or assets being replaced, in each case in the Ordinary Course of Business, or (ii) adopt or effect a plan of complete or partial liquidation, dissolution, restructuring, recapitalization, or other reorganization;

(g) repurchase, prepay, or incur any Indebtedness or enter into a Contingent Obligation with respect to the Indebtedness of another Person, issue or sell any debt securities or options, warrants, calls, or other rights to acquire any debt securities, enter into any "keep well" or other Contract to maintain any financial statement condition of any other Person or enter into any arrangement having the economic effect of any of the foregoing, other than in connection with the incurrence of ordinary course trade payables in the Ordinary Course of Business;

(h) enter into or amend or modify in any material respect, or consent to the termination of (other than at its stated expiry date), any Material Contract or any lease with respect to real estate or any other Contract or lease that, if in effect as of the date of this Agreement would constitute a Material Contract or lease with respect to Real Estate;

(i) institute, settle, or compromise any Legal Action involving the payment of monetary damages of any amount exceeding $10,000 in the aggregate, other than the settlement of claims, Liabilities, or obligations reserved against on its balance sheet; *provided, that* neither the Company nor any of its Subsidiaries shall settle or agree to settle any Legal Action which settlement involves a conduct remedy or injunctive or similar relief, has a restrictive impact on the business of, or involves an admission of guilt, wrongdoing or liability on the part of, the Company or any of its Subsidiaries;

(j) make any material change in any method of financial accounting principles or practices, in each case except for any such change required by a change in GAAP or applicable Law or in accordance with the preparation of the Company Audited Financial Statements in accordance with Section 5.10;

(k) (i) enter into or amend any agreement or settlement with any Tax Authority, (ii) make, revoke or change any Tax election, change any annual Tax accounting period, or adopt or change any method of Tax accounting (other than as set forth in the Company Audited Financial Statements), (iii) amend any Tax Returns or file claims for Tax refunds, or (iv) enter into any closing agreement, surrender in writing any right to claim a Tax refund, offset or other reduction in Tax liability or consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment;

(l) enter into any agreement, agreement in principle, letter of intent, memorandum of understanding, or similar Contract with respect to any joint venture, strategic partnership, or alliance;

(m) abandon, allow to lapse, sell, assign, transfer, grant any Lien in otherwise encumber or dispose of any interest in any of the Owned IP, or grant any right or license to any of the Owned IP other than pursuant to non-exclusive licenses entered into in the Ordinary Course of Business;

(n) terminate or modify in any material respect, or fail to exercise renewal rights with respect to, any material insurance policy;

(o) open or close any facility or office;

(p) enter into or amend or modify any Related Party Transaction;

(q) take any action that is intended or that would reasonably be expected to, individually or in the aggregate, prevent, materially delay, or materially impede the consummation of the Merger or the other Transactions; or

(r) agree or commit to do any of the foregoing.

Section 5.2 Access to Information; Confidentiality .

(a) From the date of this Agreement until the earlier to occur of the Effective Time or the termination of this Agreement in accordance with the terms set forth in ARTICLE VII, the Company shall and shall cause its Subsidiaries to, and the FT Stockholders shall cause the Company and its Subsidiaries to, (i) afford to Parent and its Representatives reasonable access, at reasonable times and in a manner as shall not unreasonably interfere with the business or operations of the Company or any Subsidiary thereof, to the customers, officers, employees, accountants, agents, properties, offices, and other facilities and to all books, records, contracts, and other assets of the Company and its Subsidiaries, and (ii) furnish promptly such other information concerning the business and properties of the Company and its Subsidiaries as Parent may reasonably request from time to time. Notwithstanding the foregoing, (x) neither the Company nor its Subsidiaries shall be required to provide access to or disclose information where such access or disclosure would jeopardize the protection of attorney-client privilege or contravene any Law (it being agreed that the parties shall use their commercially reasonable efforts to cause such information to be provided in a manner that would not result in such jeopardy or contravention) and (y) access to the customers of the Company or any of its Subsidiaries must first be authorized by the Company and Representatives of the Company shall have the right to participate in any meetings or calls between Parent or its

Representatives and such customers.

(b) Until the earlier to occur of the Effective Time or the termination of this Agreement in accordance with the terms set forth in ARTICLE VII, each party has disclosed or may disclose to the other parties confidential information concerning such party's business, financial condition, proprietary technology, research and development and other confidential matters (the " **Confidential Information** "). Unless otherwise agreed to in writing by the disclosing party, the receiving party shall (i) except as required by applicable Laws, the listing rules of the relevant Trading Market, or otherwise pursuant to Section 5.11, keep confidential and not disclose or reveal any Confidential Information to any Person other than the receiving party's Representatives who need to know the information in connection with the matters contemplated by this Agreement and (ii) not use another party's Confidential Information for any purpose other than in connection with the Transactions. This Section 5.2(b) shall survive the Closing Date or termination of this Agreement.

Section 5.3 Exclusive Dealing . From the date of this Agreement until the earlier to occur of the Effective Time or the termination of this Agreement in accordance with the terms set forth in ARTICLE VII, the FT Stockholders, the Company and the Company's Subsidiaries shall not, and shall not permit any of their Representatives to, directly or indirectly, (i) submit, negotiate, solicit, initiate, entertain or discuss any proposal or offer from any Person (other than Parent in connection with the Transactions) or enter into any agreement or accept any proposal or offer relating to or consummate any (a) reorganization, liquidation, dissolution or recapitalization of the Company or any of its Subsidiaries, (b) merger or consolidation involving the Company or any of its Subsidiaries, (c) purchase or sale of all or any substantial part of the assets of or equity securities (or any rights to acquire, or securities convertible into or exchangeable for, any such equity securities) of the Company or any of its Subsidiaries, or (d) similar transaction or business combination involving the Company or any of its Subsidiaries or their businesses or (ii) furnish any information with respect to, or assist or participate in or facilitate in any other manner any effort or attempt by any Person (other than to Parent or Merger Sub) to do or seek to do, any of the foregoing. The FT Stockholders, the Company and the Company's Subsidiaries shall, and shall cause their Representatives to, immediately discontinue any ongoing discussions or negotiations (other than the ongoing discussions and negotiations with Parent) relating to any transaction of a nature described in this Section 5.3, and shall notify Parent immediately after receipt by any of them or any of their Representatives of any expression of interest, inquiry, proposal or offer relating to such a possible transaction that is received from any third party, or any request for in connection with any such expression of interest, inquiry, proposal or offer, or for access to information by any such third party.

Section 5.4 Notices of Certain Events. Parent shall notify the Company, and the Company shall notify Parent, promptly of: (a) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the Transactions; (b) any notice or other communication from any Governmental Authority in connection with the Transaction; (c) any Legal Actions commenced, or to such party's Knowledge, threatened, against Parent or any of or Subsidiaries or any of the Company Stockholders, the Company or its Subsidiaries, as applicable, that are related to this Agreement, the Merger, the Parent Stock Issuance, or the other Transactions; and (d) any event, change, or effect between the date of this Agreement and the Effective Time which causes or is reasonably likely to cause the failure of the conditions set forth in Section 6.2(a), Section 6.2(b), or Section 6.2(c) of this Agreement (in the case of the Company) or Section 6.3(a), Section 6.3(b), or Section 6.3(c) of this Agreement (in the case of Parent and Merger Sub), to be satisfied. In no event shall: (i) the delivery of any notice by a party pursuant to this Section 5.4 limit or otherwise affect the respective rights, obligations, representations, warranties, covenants, or agreements of the parties or the conditions to the obligations of the parties under this Agreement; (ii) disclosure by Parent or Merger Sub be deemed to amend or supplement the Schedules or constitute an exception to Parent's and Merger Sub's representations or warranties; or (iii) disclosure by the FT Stockholders or the Company be deemed to amend or supplement the Schedules or constitute an exception to the FT Stockholders' or the Company's representations or warranties. This Section 5.4 shall not constitute a covenant or agreement for purposes of Section 6.2(b) or Section 6.3(b).

Section 5.5 Employees; Benefit Plans .

(a) Effective no later than the day immediately preceding the Closing Date, the Company shall (i) terminate the Benefit Plans maintained by the Company set forth on Schedule 5.5(a) and (ii) cause the Company and its Subsidiaries to be relieved, discharged and indemnified against all Liabilities with respect to such Benefit Plans, all in a manner satisfactory to Parent.

(b) This Section 5.5 shall be binding upon and inure solely to the benefit of each of the parties to this Agreement, and nothing in this Section 5.5, express or implied, shall confer upon any employee of the Company or any of its Subsidiaries, any beneficiary, or any other Person any rights or remedies of any nature whatsoever under or by reason of this Section 5.5. Nothing contained herein, express or implied: (i) shall be construed to establish, amend, or modify any Benefit Plan, program, agreement, or arrangement; (ii) shall alter or limit the ability of the Surviving Company, Parent or any of their respective Affiliates to amend, modify, or terminate any Benefit Plan, program, agreement, or arrangement at any time assumed, established, sponsored, or maintained by any of them; or (iii) shall prevent the Surviving Company, Parent, or any of their respective Affiliates from terminating the employment of any employee following the Effective Time. The parties hereto acknowledge and agree that the terms set forth in this Section 5.5 shall not create any right in any employee of the Company or any other Person to any continued employment with the Surviving Company, Parent, or any of their respective Subsidiaries or compensation or benefits of any nature or kind whatsoever, or otherwise alters any existing at-will employment relationship between any such Person and the Surviving Company.

Section 5.6 Commercially Reasonable Efforts .

(a) Upon the terms and subject to the conditions set forth in this Agreement (including those contained in this Section 5.6), each of the parties hereto shall, and shall cause its Subsidiaries to, use its commercially reasonable efforts to take, or cause to be taken, all lawful and reasonable actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper, or advisable to consummate and make effective, and to satisfy all conditions to, in the most expeditious manner practicable, the Transactions including without limitation: (i) the obtaining of all necessary Permits, waivers, and actions or non-actions from Governmental Authorities and the making of all necessary registrations and filings (including filings with Governmental Authorities) and the taking of all steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any Governmental Authorities; (ii) the obtaining of all necessary consents or waivers from third parties; and (iii) the execution and delivery of any additional instruments necessary to consummate the Merger and to fully carry out the purposes of this Agreement. Each party hereto shall promptly inform the other parties hereto, as the case may be, of any communication from any Governmental Authority regarding any of the Transactions. If any party hereto receives a request for additional information or documentary material from any Governmental Authority with respect to the Transactions, then it shall use commercially reasonable efforts to make, or cause to be made, as soon as reasonably practicable and after consultation with the other party, an appropriate response in compliance with such request, and, if permitted by applicable Law and by any applicable Governmental Authority, provide the other party's counsel with advance notice and the opportunity to attend and participate in any meeting with any Governmental Authority in respect of any filing made thereto in connection with the Transactions. No party shall independently participate in any formal meeting with any Governmental Authority in respect of any such filing, investigation or other inquiry without giving the other parties prior notice of the meeting and, to the extent permitted by applicable Law and such Governmental Authority, the opportunity to

attend and/or participate in such meeting. A party may, as each deems advisable and necessary, reasonably designate any competitively sensitive material provided to the other under this Section 5.6(a) as "outside counsel only." Such materials and the information contained therein shall be given only to the recipient's outside legal counsel and outside experts retained for purposes of any investigation or inquiry and shall not be disclosed by such outside counsel or outside expert to employees, officers, or directors of the recipient, unless express written permission is obtained in advance from the source of the materials.

(b) In the event that any Legal Action is instituted (or threatened to be instituted) by a Governmental Authority or private party challenging this Agreement, the Merger or any other Transaction contemplated by this Agreement, the parties shall reasonably cooperate in all respects with each other and shall use commercially reasonable efforts to contest and resist any such Legal Action and to have vacated, lifted, reversed, or overturned any Order, whether temporary, preliminary, or permanent, that is in effect and that prohibits, prevents, or restricts consummation of the Transactions. Notwithstanding anything in this Agreement to the contrary, none of parties, nor any of their Affiliates, shall be required to defend, contest, or resist any Legal Action, whether judicial or administrative, or to take any action to have vacated, lifted, reversed, or overturned any Order, in connection with the Transactions.

Section 5.7 CFIUS .

(a) Unless the parties agree otherwise, as soon as practicable after the date of this Agreement, the parties hereto shall prepare, prefile, and then no earlier than five (5) Business Days thereafter, file with CFIUS a joint voluntary notice pursuant to the Exon-Florio Amendment to the Defense Production Act of 1950, 50 U.S.C. app. § 2170, as amended (" **Exon-Florio** ") with respect to the Transactions at Parent's expense (excluding the Company CFIUS Expenses). The parties hereto shall provide CFIUS with any additional or supplemental information requested by CFIUS or its member agencies during the Exon-Florio review (and, if applicable, investigation) process within three (3) Business Days, unless an extension is granted by CFIUS, of receiving such request, or within such longer period as permitted by CFIUS.

(b) To the extent that prior to the Closing any of the actions described in this Section 5.7(b) are proposed by CFIUS as a condition to obtaining CFIUS Approval, the parties shall in good faith evaluate and make commercially reasonable efforts to accommodate those proposals that do not call for the kind of limitations outlined in subsections (1) and (2) of this section below, with the understanding that prior to the Closing it is within each party's discretion whether to undertake the proposed actions. After the Effective Time, it shall be in the Parent's sole discretion whether to undertake any such proposed actions. Notwithstanding anything to the contrary in this Agreement, with respect to the CFIUS Approval, prior to the Closing (1) the parties shall have no obligation to (A) propose, negotiate, commit to or effect, by consent decree, hold separate order, agreement or otherwise, the sale, transfer, license, divestiture or other disposition of, or any prohibition or limitation on the ownership, operation, effective control or exercise of full rights of ownership of, any of the businesses, product lines or assets of Parent or any of its Affiliates or of the Company or any of its Subsidiaries, (B) terminate existing, or create new, relationships, contractual rights or obligations of Parent or its Affiliates or, following Closing, the Surviving Company or its Subsidiaries, (C) effect any other change or restructuring of Parent, its Affiliates, the Company or its Subsidiaries, or (D) otherwise take or commit to take any actions that interfere with Parent's ability to control, manage or exercise full rights of ownership of the Company or its Subsidiaries, or limit the freedom of action of Parent, its Affiliates, the Company or its Subsidiaries, with respect to, or their ability to retain, or enjoy the rights and benefits of any assets or businesses, including, without limitation, the freedom to provide services to, or otherwise enter into, a commercial relationship with any Person and (2) the Company shall not, and shall cause its Subsidiaries not to, take or agree to take any of the foregoing actions without the prior written consent of Parent.

(c) If CFIUS Approval is dependent upon the acceptance of conditions proposed by CFIUS as described in Section 5.7(b), the Parent accepts such conditions, and those conditions materially impair the ability of the Surviving Company to achieve the applicable EBITDA Target for any Earn-Out Period as set forth in Schedule 1.5(c), the parties shall negotiate in good faith an alternative applicable EBITDA Target that reflects the impairing effect of these proposed conditions while maintaining the Earn-Out Amounts for the Earn-Out Period.

Section 5.8 Financing .

(a) Parent shall use commercially reasonable efforts to arrange the Financing upon terms and conditions reasonably satisfactory to Parent and the Parent Board. Parent shall keep the Company informed on a reasonably current basis in reasonable detail of the status of its efforts to arrange the Financing. Parent shall provide written notice to the Company promptly upon receiving commitments for the Financing.

(b) Prior to the Closing, each of the FT Stockholders shall and shall cause the Company and each of the Company's Subsidiaries to use his and its commercially reasonable efforts to provide and or cause the Company and the Company's Subsidiaries to provide to Parent all cooperation reasonably requested by Parent, at Parent's expense, that is customary in connection with the arrangement of the type of Financing contemplated by Parent (provided in all cases that such requested cooperation does not unreasonably interfere with the ongoing operations of the Company and the Company's Subsidiaries), which commercially reasonable efforts may include (i) (A) furnishing Parent and its Financing Sources, as promptly as reasonably practicable following Parent's request, with such pertinent and customary information, to the extent reasonably available to the Company or the Company's Subsidiaries, regarding the Company and the Company's Subsidiaries, and any supplements thereto, as may be reasonably requested by Parent to consummate the Financing and (B) furnishing Parent and its Financing Sources, as promptly as reasonably practicable following Parent's request, with information regarding the Company and the Company's Subsidiaries (including information to be used by Parent and its financial advisors in the preparation of one or more information packages, prospectuses or offering document regarding the business, operations, financial projections and prospects of the Company and the Company's Subsidiaries) customary for the arrangement of the Financing contemplated by Parent, to the extent reasonably available to the Company or the Company's Subsidiaries and to assist in preparation of customary rating agency or lender or investor presentations relating to such arrangement of loans or equity financing, (ii) furnishing all consolidated financial statements, business and other financial data (other than pro forma financial statements but including, for the avoidance of doubt, any financial information of the Company and the Company's Subsidiaries reasonably necessary to permit Parent to prepare pro forma financial statements required by a Financing Source, and written financial information reasonably necessary for Parent and the Financing Sources to consummate the Financing), (iii) participating and having senior management and the FT Stockholders participate in a reasonable number of roads shows, presentations, confidential information memorandum presentations and meetings, due diligence sessions, drafting sessions and sessions with rating agencies in connection with the Financing (including customary one-on-one meetings with the Financing Sources), (iv) assisting with the preparation of materials for rating agency presentations, bank information memoranda, prospectuses, offering documents and similar documents required in connection with the Financing, (v) taking all necessary corporate actions, subject to and only effective upon the occurrence of the Effective Time, reasonably requested by Parent to permit the consummation of the Financing and to permit the proceeds thereof, after payment of the Merger Consideration in accordance with the terms and conditions of this Agreement, to be made available to the Surviving Company at the Effective Time, (vi) executing and delivering any customary pledge and security documents, credit agreements, ancillary loan documents, underwriting agreements, placement agency agreements, and customary closing certificates and documents (in each case, subject to and only effective upon occurrence of the Effective Time) and assisting in preparing schedules thereto as may be reasonably requested by Parent (including delivery of

borrowing base certificates and delivery of a solvency certificate of the chief financial officer of the Company), (vii) assisting in (A) the preparation, execution and delivery of one or more credit agreements, indentures, currency or interest hedging agreements or (B) the amendment or modification of any of the Company's or the Company's Subsidiaries' currency or interest hedging agreements, if any, in each case, on terms that are reasonably requested by Parent in connection with the Financing; provided that no obligation of the Company or any of the Company's Subsidiaries under any such agreements or amendments shall be effective until the Effective Time, (viii) in connection with the Financing, providing customary authorization letters to the Financing Sources for the Financing authorizing the distribution of information to prospective lenders or investors or the SEC and containing a customary representation to the Financing Sources for such financing that such information does not contain a material misstatement or omission and containing a representation to the Financing Sources that the public side versions of such documents, if any, do not include material non-public information about the Company or the Company's Subsidiaries or their securities, (ix) using commercially reasonable efforts to arrange for customary payoff letters, lien terminations and instruments of discharge to be delivered at Closing providing for the payoff, discharge and termination on the Closing Date of all Indebtedness required hereunder to be paid off, discharged and terminated as of the Closing Date, (x) providing at least two (2) Business Days prior to the expected Closing Date all documentation and other information about the Company and each of the Company's Subsidiaries as is requested by the Financing Sources and required under applicable " *know your customer* " and anti-money-laundering rules and regulations including the USA PATRIOT Act, (xi) using commercially reasonable efforts to cause Company accountants to consent to the use of their reports in any material relating to the Financing, (xii) assisting in obtaining corporate and facilities ratings for the Financing, (xiii) requesting the Company's independent accountants to cooperate with Parent's commercially reasonable efforts to obtain customary accountant's comfort letters (including " *negative assurance* ") and consents from the Company's independent accountants, and (xiv) ensuring that there are no competing issues of securities or credit facilities of the Company and the Company's Subsidiaries being offered or arranged by the Company or such Subsidiaries between the execution of this Agreement and the Effective Time. Parent shall reimburse the Company for all reasonable out-of-pocket costs and expenses (including reasonable attorneys' and accountants costs and expenses) incurred by the Company or any of the Company's Subsidiaries or any of the Company's Representatives in connection with the cooperation of the Company and the Company's Subsidiaries contemplated by this Section 5.8(b) and Parent shall indemnify and hold harmless the Company, the Company's Subsidiaries and the Company's Representatives from and against any and all direct and actual Losses (other than lost profits) suffered or incurred by any of them in connection with the arrangement of the Financing, any action taken by them at the request of Parent pursuant to this Section 5.8(b) and any information used in connection therewith (except with respect to any information provided in writing by the Company or any of the Company's Subsidiaries specifically for use in connection therewith), except, in each case, insofar as such Losses (i) arose out of or resulted from the Fraud or willful misconduct of the FT Stockholders, the Company, the Company's Subsidiaries or the Company's Representatives, (ii) directly resulted from the breach of any of the obligations of the FT Stockholders, the Company, the Company's Subsidiaries or the Company's Representatives under this Agreement or (iii) that were agreed to in a settlement without the prior written consent of Parent.

(c) Notwithstanding anything to the contrary contained in this Section 5.8, (i) no obligation of the Company or any of the Company's Subsidiaries under any agreement, certificate, document or instrument shall be effective until the Effective Time (and nothing contained in this Section 5.8 or otherwise shall require the Company or any of the Company's Subsidiaries, prior to the Effective Time, to be an obligor with respect to the Financing) and (ii) none of the Company or any of the Company's Subsidiaries or the FT Stockholders shall be required to pay or incur any liability for any commitment or other fee or pay or incur any other liability in connection with the Financing prior to the Effective Time.

(d) Notwithstanding anything to the contrary contained in this Agreement, (i) none of the Company, the FT Stockholders nor any of their respective Subsidiaries, Affiliates, directors, officers, employees, agents, partners, managers, members, shareholders, Representatives or Related Parties, as applicable, shall have any rights or claims against the Financing Sources (in their capacities as such) in any way relating to this Agreement or any of the Transactions, or in respect of any oral representations made or alleged to have been made in connection herewith or therewith, including any dispute arising out of or relating in any way to any financing commitment letter or loan agreement to be executed by such Financing Source, or any replacement therefor, or the performance thereof or the financings contemplated thereby, whether in law or equity, in contract, in tort or otherwise, and (ii) except as expressly agreed, the Financing Sources (in their capacities as such) shall not have any liability (whether in contract, in tort or otherwise) to the Company, the FT Stockholders or any of their respective Subsidiaries, Affiliates, directors, officers, employees, agents, partners, managers, members, shareholders, Representatives or Related Parties for any obligations or liabilities of any party hereto under this Agreement or for any claim based on, in respect of, or by reason of the Transactions or in respect of any oral representations made or alleged to have been made in connection herewith or therewith, including any dispute arising out of or relating in any way to any financing commitment letter, any loan agreement or any replacement therefor or the performance thereof or the financings contemplated thereby, whether at law or equity, in contract, in tort or otherwise. The Financing Sources (and such Financing Source's Affiliates, equityholders, members, partners, officers, directors, employees, agents, advisors and Representatives) are express third party beneficiaries of this Section 5.8(d). Subject to the terms and conditions of any definitive Financing Documents to which the Surviving Company is a party, nothing contained herein, shall preclude the Surviving Company from any claims that may arise following the Closing related to the Financing, or any Fraud by the Financing Source in connection with the Financing.

Section 5.9 Transfer Restrictions .

(a) Each of the Company Stockholders acknowledges and understands that the Parent Common Stock may only be disposed of in compliance with state and federal securities laws.

(b) During the Lockup Period (as defined below), the Company Stockholders will not offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, transfer by gift or contribution, or otherwise transfer or dispose of, directly or indirectly, any of the Stock Consideration or any of the shares of Parent Common Stock issued in payment of any Earn-Out Amount (" **Earn-Out Shares** "). The " **Lockup Period** " means the following: (x) with respect to the Stock Consideration, commencing on the Closing Date and ending on the first anniversary of the Closing Date, so that all of the Stock Consideration is released from Lockup Period on the first anniversary of the Closing Date and (y) with respect to any Earn-Out Shares, commencing on the date of issuance of such Earn-Out Shares and ending on the first anniversary of such date of issuance, so that all of such Earn-Out Shares are released from Lockup Period on the first anniversary of the issuance of such Earn-Out Shares.

(c) Shares of Parent Common Stock subject to the Lockup Period shall have imprinted, or have a notation attached, substantially the following legend:

> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS IN AN AGREEMENT AND PLAN OF MERGER DATED AS OF MARCH 14, 2019, A COPY OF WHICH IS ON FILE AT THE OFFICE OF THE COMPANY AND WILL BE FURNISHED TO ANY PROSPECTIVE TRANSFEREES UPON REQUEST. SUCH AGREEMENT AND PLAN OF MERGER PROVIDES, AMONG OTHER THINGS, FOR CERTAIN RESTRICTIONS ON THE SALE, TRANSFER, PLEDGE OR OTHER DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE.

(d) Any sale, transfer or disposition of Parent Common Stock in violation of this Section 5.9 shall be null and void.

(e) Any sales, transfers or other dispositions of Parent Common Stock must be made in accordance with applicable state and federal securities laws and the Parent's Insider Trading Policy.

(f) At the Closing, the Parent and the Company Stockholders shall execute and deliver a Registration Rights Agreement substantially in the form of **Exhibit B** hereto (the " **Registration Rights Agreement** ").

Section 5.10 Company Audit . Prior to the date of this Agreement, and as part of its diligence process, the Company has engaged, at the cost and expense of Parent, BDO USA, LLP (the " **Auditors** ") in order to prepare audited consolidated financial statements for the Company and its Subsidiaries for the years ending December 31, 2017 and December 31, 2018 (the " **Company Audited Financial Statements** "). The Company shall, and the FT Stockholders shall cause the Company to, reasonably cooperate with, make all relevant files and records reasonably available for inspection and copying by, make employees reasonably available to, and otherwise render reasonable assistance to the Auditors in order to facilitate the preparation of the Company Audited Financial Statements.

Section 5.11 Securities Laws Disclosure; Publicity; Confidentiality . In accordance with the requirements of the Exchange Act, Parent shall cause a Current Report on Form 8-K relating to the Transactions under this Agreement to be transmitted to the SEC for filing, which Form 8-K shall be reasonably acceptable to the Company, disclosing the material terms of the Transactions. Parent and the Company shall consult with each other in issuing any press releases or making any other public statements with respect to the Transactions prior to the Closing, and no party shall issue any such press release or otherwise make any such public statement prior to the Closing without the prior written consent of the other parties, except if such disclosure is required by applicable Law, Order or Legal Action or by a Governmental Authority in which case the party issuing the press release or making the public statement shall promptly provide the other parties with prior notice of such press release or public statement.

Section 5.12 Form D; Blue Sky Filings . Parent agrees to timely file a Form D with respect to the Parent Common Stock that is issued pursuant to this Agreement as required under Regulation D of the SEC promulgated under the Securities Act. Parent shall, on or before the Closing Date, take such action as Parent shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Parent Stock Issuance pursuant to this Agreement under applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of any such action so taken to the Company on or prior to the Closing Date. Parent shall make all filings and reports relating to the offer and sale of such Parent Common Stock required under applicable securities or "Blue Sky" laws of the states of the United States following the Closing Date in a timely manner.

Section 5.13 Certain Tax Matters .

(a) The Company shall, and the FT Stockholders shall cause the Company to, during the period from the date of this Agreement until the Closing, timely make all required estimated Tax payments, which payments shall be based on the amount of net income the Company would have at the end of its Tax year if its net income through the date of this Agreement were to be annualized.

(b) If the Company files any Tax Returns between the signing of this Agreement and the Closing, the FT Stockholders shall, not less than ten (10) Business Days prior to filing, provide Parent with the opportunity to review and comment on such Tax Returns. The Company shall in good faith give reasonable consideration to any such revisions to such Tax Returns as are reasonably requested by Parent. Such Tax Returns shall be prepared in a manner consistent with past practice, unless a contrary treatment is required by Law or otherwise approved in writing by the Parent. The FT Stockholders shall pay and discharge all Taxes shown to be due on such Tax Returns before the same shall become delinquent and before penalties accrue thereon.

(c) The FT Stockholders shall prepare or cause to be prepared and shall timely file all Tax Returns of the Company and any of its Subsidiaries for all pre-Closing periods which Tax Returns have not been filed as of the Closing Date. Parent shall have the opportunity to review and comment on all such Tax Returns not less than ten (10) Business Days prior to filing. Such Tax Returns shall be prepared in a manner consistent with past practice, unless a contrary treatment is required by Law. The FT Stockholders shall pay and discharge all Taxes shown to be due on such pre-Closing Tax Returns before the same shall become delinquent and before penalties accrue thereon.

(d) Parent shall prepare and timely file all Tax Returns of the Company and its Subsidiaries for any Straddle Period. Such Tax Returns shall be prepared in a manner consistent with past practice, unless a contrary treatment is required by Law. Parent shall pay and discharge all Taxes shown to be due on such Tax Returns. No later than ten (10) Business Days prior to the due date of such return, the FT Stockholders shall pay to Parent the amount of Taxes shown due which is attributable to the pre-Closing portion of the Straddle Period less estimated Tax payments made prior to the Closing Date towards the Taxes shown on such return. The FT Stockholders shall have an opportunity to review all such Tax Returns not less than thirty (30) days prior to filing. Parent shall, in good faith give reasonable consideration to any revisions to such Tax Returns as are reasonably requested by the FT Stockholders.

(e) The FT Stockholders shall not file any amended Tax Return relating to the Company or any of its Subsidiaries (or otherwise change such Tax Returns or make or change an election) with respect to taxable periods ending on or prior to the Closing Date without a written consent of Parent.

(f) For purposes of this Agreement, the amount of Taxes of the Company and any of its Subsidiaries attributable to the pre-Closing portion of any taxable period beginning on or before and ending after the Closing Date (the " **Straddle Period** ") shall be determined based upon a hypothetical closing of the taxable year on such Closing Date with the Closing Date being included in the pre-Closing portion of such Straddle Period; provided, however, real and personal property Taxes (which are not based on income) shall be determined by reference to the relative number of days in the pre-Closing and post-Closing portions of such Straddle Period.

(g) Each of the FT Stockholders and Parent shall notify the other party in writing within thirty (30) calendar days of receipt of written notice of any pending or threatened tax examination, audit or other administrative or judicial proceeding (a " **Tax Contest** ") that could reasonably be expected to result in an indemnification obligation under Article VIII. If a Tax Contest relates to any pre-Closing period or to any Taxes for which the FT Stockholders are liable in full hereunder, the FT Stockholders shall at their expense control the defense and settlement of such Tax Contest provided the FT Stockholders acknowledge their liability in writing. If the FT Stockholders do not assume the defense of any such proceeding or fail to acknowledge their liability, Parent may defend the matter in a manner it considers appropriate including settling such contest. If such Tax Contest relates to any post-Closing period, the Straddle Period, or to any

Taxes for which Parent is liable in full or in part hereunder, Parent shall at its own expense control the defense and settlement of such Tax Contest. Notwithstanding, the foregoing, the FT Stockholders shall not agree to any settlement concerning Taxes for a pre-Closing period which may adversely impact Parent, the Surviving Company or any of its Subsidiaries for a post-Closing period or the Tax attributes of Parent, the Surviving Company or any of its Subsidiaries without the prior written consent of Parent. Parent shall have the right to participate in the conduct of any Tax Contest (by being kept fully informed of any material developments, by receiving copies of all correspondence, by attending all meetings or video conferences with any Tax Authority, and by participating in any telephone calls with any Tax Authority) at its own expense, including through its own counsel and other professional experts. Parent shall also have the right to review, at least five (5) business days prior to submission to any Tax Authority in connection with a Tax Contest, any letter, response to an information document request, petition, protest, or any other document in which a statement of fact is made with respect to the Company's Taxes.

(h) The FT Stockholders and Parent agree to furnish or cause to be furnished to each other, upon request and as promptly as practicable, such information and assistance (including access to books and records) as is reasonably necessary for preparation of any Tax Return, claim for refund or audit, and the prosecution or defense of any claim, suit or proceeding relating to the Company or its Subsidiaries' Tax liability. The requesting party shall bear all out-of-pocket costs and expenses incurred by the other party hereto in providing such assistance. The FT Stockholders shall retain copies of all Tax Returns, schedules, workpapers, records and other documents in the FT Stockholders' possession relating to Tax matters with respect to the Company and any of its Subsidiaries for periods or portions thereof before the Closing Date until sixty (60) days after the expiration of the applicable statute of limitations with respect to such Tax matters and shall not dispose of such items until it offers the items to Parent.

(i) In the event that a dispute arises between Parent and the FT Stockholders as to the amount of Taxes or indemnification or any matter relating to Taxes attributable to the Company or any of its Subsidiaries, the parties shall attempt in good faith to resolve such dispute, and any agreed upon amount shall be paid to the appropriate party. If such dispute is not resolved thirty (30) calendar days thereafter, the parties shall submit the dispute to an independent accounting firm mutually chosen by Parent and the FT Stockholders for resolution, which resolution shall be final, conclusive and binding on the parties. Notwithstanding anything in the Agreement to the contrary, the fees and expenses of the independent accounting firm in resolving this dispute shall be borne equally by Parent and the FT Stockholders.

(j) The FT Stockholders, at their sole expense, shall be responsible for the filing of Tax Returns (including any documentation) with respect to Transfer Taxes. The FT Stockholders and Parent shall each pay fifty percent (50%) of any such Transfer Taxes on or prior to the Closing Date and shall provide the other party with evidence of any payments of such Transfer Taxes.

(k) This Section 5.13 shall survive until six months after the expiration of the statute of limitations with respect to the applicable Tax, except that any obligation to offer or provide Tax Returns or other Tax records to Parent shall survive indefinitely.

(l) The FT Stockholders shall engage and use the services of a nationally recognized firm of independent public accountants to prepare and file any Tax Returns to be filed by them pursuant to this Section 5.13.

Section 5.14 Transition and Business Plans . As a Subsidiary of Parent, the Surviving Company will be subject to Parent's annual and long-range business plans; provided, however, that the parties shall, acting in good faith and a commercially reasonable manner, (a) prior to the Closing agree to a written transition plan for the Surviving Company, including support for sales force buildout and technology buildout and (b) agree to a written business plan pursuant to which the Surviving Company shall operate for the Earn-Out Period that includes the availability and use of cash, personnel, technical and other resources being made available to the Surviving Company, with the business plan for the first year after the Closing being agreed to prior to the Closing. For so long as either or both of the FT Stockholders are employed by the Surviving Company pursuant to the Employment Agreements, as applicable, business plans for subsequent years shall be agreed to annually.

Section 5.15 R & W Insurance Policy . Prior to Closing, Parent shall use its commercially reasonable efforts to obtain a representations and warranties insurance policy with respect to the representations and warranties of the Company and the FT Stockholders in this Agreement (the " **R&W Policy** ") for the benefit of Parent at a commercially reasonable cost that is in an amount not less than $10,000,000.00 (the " **Minimum Coverage** "), issued by an insurance carrier and upon terms and conditions (including without limitation deductibles and exclusions) that are satisfactory to Parent and the Company. The Parent and the Company will cause the R&W Policy to include a waiver of subrogation by the insurer (except for fraud or willful concealment) in favor of the Company Stockholders. The Company will pay for the cost of the underwriting fees, taxes, premiums, diligence expenses and other charges associated with obtaining the R&W Policy (the " **R&W Expenses** ") having coverage up to the Minimum Coverage, and such R&W Expenses may be treated as Company Transaction Expenses. If Parent wishes to obtain an R&W Policy having a higher amount of coverage, it shall pay the R&W Expenses in excess of the R&W Expenses that would be required to obtain an R&W Policy for the Minimum Coverage. Parent will allow the Company to participate in the solicitation of quotes for and the negotiation of the R&W Policy, and the Company shall, and the FT Stockholders shall cause the Company to, cooperate in all reasonable ways with, make all relevant files and records reasonably available for inspection and copying, make employees reasonably available to, and otherwise render reasonable assistance to facilitate the issuance of the R&W Policy.

Section 5.16 Information and Shareholder Protection .

(a) Following the Closing, so long as either the Ranjan Shareholders and/or the Mathur Shareholders, individually or collectively, continue to be the beneficial owner of at least two and one-half percent (2.5%) of the outstanding Parent Common Stock, or, in the case of clause (i) of this sentence, prior to the expiration of the last Earn-Out Period, Parent shall (i) provide to the Stockholder Representative any balance sheet, income statement, statement of shareholder's equity or other financial statements that Parent provides to any bank, financial institution or other lender (other than a Lender that is an Affiliate of Parent) that has extended a term loan, revolving credit facility or similar debt arrangement to Parent, contemporaneously with the submission of any such balance sheet, income statement, statement of shareholder's equity or other financial statements by Parent to such bank, financial institution or other lender, (ii) subject to clause (iii) of this sentence, not issue any additional shares of capital stock of any class or series, whether an existing class or series or a class or series to be created or other securities convertible into shares of capital stock (each a " **Securities Issuance** ") within three (3) years of the Closing Date at a per share price less than the per share price of the Parent Common Stock received by the Company Stockholders as the Stock Consideration (other than (x) issuances to pay directors' fees or any other compensatory issuances, whether or not pursuant to an existing or future Benefit Plan of the Parent or the Surviving Company, and (y) issuances to pay dividends on the Series A Preferred Stock) or issue any additional shares of any series or class of preferred stock (including without limitation Series A Preferred Stock) unless it shall have provided a written offer to the Ranjan Shareholders and/or the Mathur Shareholders sent not fewer than ten (10) Business Days before such issuance giving the Ranjan Shareholders and/or the Mathur Shareholders the opportunity to purchase the number of shares of such capital stock, for cash and at the same price and upon the same terms (and subject to such additional restrictions as may apply as a result of Ranjan or

Mathur being an employee or an Affiliate of a public company) as the other purchasers of such capital stock at the time of such issuance, that would enable the Ranjan Shareholders and/or the Mathur Shareholders, as applicable, to own, after such Securities Issuance, a percentage of the capital shares then being issued equal to the percentage of the outstanding the Parent Common Stock then beneficially owned by the Ranjan Shareholders and/or the Mathur Shareholders (for example, if the Ranjan Shareholders or the Mathur Shareholders own seven percent (7.0%) of the outstanding the Parent Common Stock at such time, the Ranjan Shareholders and/or the Mathur Shareholders, as applicable, will be permitted to purchase seven percent (7.0%) of the capital stock then being issued) and (iii) within three (3) years of the Closing Date, not effect a Securities Issuance that constitutes consideration for an acquisition at a per share price less than the per share price of the Parent Common Stock received by the Company Stockholders as the Stock Consideration unless Parent issues to each Company Stockholder for no consideration within ten (10) Business Days of the closing of such acquisition, a number of shares of Parent Company Stock that would enable the Ranjan Shareholders and/or the Mathur Shareholders to own, after such Securities Issuance, a percentage of the capital shares then being issued equal to the percentage of the outstanding the Parent Common Stock then beneficially owned by them. Unless otherwise agreed to in writing by Parent, the Stockholder Representative and the Company Stockholders shall (A) except as required by applicable Laws, keep confidential and not disclose or reveal any of the information contained in any balance sheet, income statement, statement of shareholder's equity or other financial statements received pursuant to this Section 5.16 to any Person and (B) not use any such information for any purpose other than in connection with its interests in the Parent Common Stock, the offered capital stock, or other securities issued by Parent. Each Company Stockholder acknowledges that federal securities laws, among other things, prohibit trading in securities on the basis of material non-public information and that balance sheets, income statements, statements of shareholder's equity or other financial statements provided by Parent pursuant to this Section 5.16 may constitute such material non-public information. For the avoidance of doubt, (i) the Ranjan Shareholders shall have rights under clauses (ii) and (iii) of the first sentence of this Section 5.16(a) only so long as they collectively continue to be the beneficial owner(s) of at least two and one-half percent (2.5%) of the outstanding Parent Common Stock, (ii) the Ranjan Shareholders shall automatically cease to have rights under clauses (ii) and (iii) of the first sentence of this Section 5.16(a) when they no longer collectively continue to be the beneficial owner(s) of at least two and one-half percent (2.5%) of the outstanding Parent Common Stock, (iii) the Mathur Shareholders shall have rights under clauses (ii) and (iii) of the first sentence of this Section 5.16(a) only so long as they collectively continue to be the beneficial owner(s) of at least two and one-half percent (2.5%) of the outstanding Parent Common Stock and (iv) the Mathur Shareholders shall automatically cease to have rights under clauses (ii) and (iii) of the first sentence of this Section 5.16(a) when they no longer collectively continue to be the beneficial owner(s) of at least two and one-half percent (2.5%) of the outstanding Parent Common Stock.

(b) Subject to Section 5.16(c), so long as either Ranjan or Mathur is alive and legally competent, during the Earn-Out Periods and thereafter so long as either Ranjan or Mathur remains employed by the Surviving Company pursuant to an Employment Agreement, Parent shall not permit any of the following to occur without the prior written consent (not to be unreasonably withheld, conditioned or delayed; it being agreed by the parties that the approval of any such matter in a transition plan or business plan approved in accordance with Section 5.14 constitutes prior written consent of Ranjan and Mathur) of (i) if Ranjan and Mathur are at the time both employed by the Surviving Company pursuant to an Employment Agreement, Ranjan and Mathur, (ii) if only one of them is at the time employed by the Surviving Company pursuant to an Employment Agreement, the one who is so employed and (iii) if neither of them is at the time employed by the Surviving Company, both Ranjan and Mathur, provided that if either Ranjan or Mathur is at the time not alive or not legally competent or has resigned from employment by the Surviving Company other than for Good Reason (as defined in the relevant Employment Agreement), the consent of such individual under this Section 5.16(b) shall in no event be required:

(i) a substantial change in the business purpose of the Surviving Company or the establishment of any Subsidiary of the Surviving Company;

(ii) a merger of the Surviving Company with or into, or consolidation of the Surviving Company with, another Person other than Parent or a Subsidiary of Parent;

(iii) the acquisition, purchase, sale, disposition, or exchange of property or assets by the Surviving Company, in one transaction or a series of related transactions, of real property and improvements, business or other assets for a gross purchase price (including the assumption of related Indebtedness, whether or not recourse to the Surviving Company) of $100,000 or more;

(iv) entering into, or terminating, not renewing, releasing or consenting to the termination or non-renewal of any Contract which, if existing as of the date of this Agreement, would have been a Material Contract;

(v) any issuance of equity or other rights to participate in the income or profits of the Surviving Company (other than to Parent or a Subsidiary of Parent);

(vi) any transaction outside the Ordinary Course of Business involving income or expense to the Surviving Company in excess of $100,000 per annum;

(vii) the incurrence by the Surviving Company of any Indebtedness (other than normal trade payables in the Ordinary Course of Business) in excess of $500,000 in aggregate principal amount, other than loans under working capital facilities entered into in the Ordinary Course of Business;

(viii) any guarantees of any Indebtedness, obligations or liabilities of another Person or Persons in excess of $100,000 in the aggregate; or

(ix) any single capital expenditure or related capital expenditures in excess of $100,000.

(c) Notwithstanding anything in this Agreement to the contrary, but subject to Section 8.3(b), if during the Earn-Out Period, the Surviving Company terminates the employment under an Employment Agreement of either Ranjan or Mathur without Cause (as defined in such Employment Agreement) or either Ranjan or Mathur terminates his employment under an Employment Agreement solely because of the occurrence of Good Reason as set forth in clause (ii) of the definition of such term in such Employment Agreement, then (i) the Company Stockholders will be deemed to have earned the full Earn-Out Amount for all Earn-Out Periods then in effect or ending on or after such termination of the employment of either Ranjan or Mathur, (ii) clause (i) of the first sentence of Section 5.16(a) and Section 5.16(b) of this Agreement will automatically be deemed to be terminated and no longer in force or effect and neither Ranjan nor Mathur shall have any rights thereunder, (iii) the Earn-Out Amounts for any such Earn-Out Period will be paid at time set forth in Section 1.5(c) and (iv) Parent, in its sole discretion, shall have the option of paying any portion of or the entire Earn-Out Amount for any such Earn-Out Period in Parent Common Stock

valued in the manner set forth in Section 1.5(d), provided that at the time the Earn-Out Amount for such Earn-Out Period is paid in accordance with Section 1.5(c), the Parent Common Stock is listed for trading on a Trading Market.

Section 5.17 Agreement. On or before the Closing Date as contemplated by Section 1.8(c), the Company shall deliver to Parent a master services agreement with iFood Web Media Technology Pvt. Ltd that details key services rendered, service level agreements for those services, fee structure for services provided, and the Company's ownership of intellectual property, licensing, and confidentiality, in form and substance reasonably satisfactory to the Parent.

Section 5.18 Key Man Insurance; D&O Insurance. Each of Ranjan and Mathur shall cooperate with Parent and Surviving Company in connection with Parent's efforts to obtain key man insurance on the life of each of Ranjan and Mathur in such amounts as Parent shall determine in its sole discretion and Ranjan and Mathur shall perform, acknowledge and deliver all such further and other acts, documents, instruments as may be reasonably required with respect to same, including without limitation submitting to medical examinations and providing or causing to be provided information and records relating to his medical history. Each of Ranjan and Mathur shall be covered by Parent's directors and officers' insurance to the same extent as other comparable members of management of Parent and its Subsidiaries.

Section 5.19 Supplements to Schedules. The FT Stockholders and the Company may, from time to time prior to the Closing by written notice to Parent, supplement the Company Disclosure Schedules or add a schedule to the Company Disclosure Schedules (such added schedule to be deemed a supplement hereunder) in order to disclose any matter which, if occurring prior to the date of this Agreement, would have been required to be set forth or described in the Company Disclosure Schedules or to correct any inaccuracy or breach in the representations and warranties made by the FT Stockholders and the Company in this Agreement. None of such supplements to the Company Disclosure Schedules will be deemed to cure the representations and warranties to which such matters relate with respect to satisfaction of the conditions set forth in Section 6.3(a), be deemed to waive any of the rights of the Parent Indemnified Parties with respect to any breach of any such representations or warranties or otherwise affect any other term or condition contained in this Agreement; provided, however, that unless Parent will have delivered a notice of termination with respect to such matter as contemplated by Section 7.3(a) (to the extent Parent is entitled to deliver such notice pursuant to Section 7.3(a)) within ten (10) Business Days of the receipt by Parent of any supplement to the Company Disclosure Schedules pursuant to this Section 5.19, then Parent will have waived any and all rights to terminate this Agreement pursuant to Section 7.3(a) arising out of or relating to the contents of such supplement.

Section 5.20 Reserved .

Section 5.21 Post-Closing Delivery of the Parent Common Stock . As soon as practicable in accordance with Rule 14c-2(b) promulgated under the Exchange Act but in no event later than 60 days after the Closing Date, Parent shall cause to be delivered irrevocable instructions to the Transfer Agent to issue shares of the Parent Common Stock to each Company Stockholder in a number equal to, for each share of Company Common Stock held by such Company Stockholder immediately prior to the Effective Time, the Per Share Consideration of the Post-Closing Stock Consideration, if any, all in book entry form unless a physical certificate is requested by such Company Stockholder, registered in the name of such Company Stockholder.

ARTICLE VI
CONDITIONS TO CLOSING

Section 6.1 Conditions to Each Party's Obligation to Effect the Merger. The respective obligations of each party to this Agreement to effect the Merger is subject to the satisfaction or waiver (where permissible pursuant to applicable Law) by such party on or prior to the Closing Date of each of the following conditions:

(a) No Governmental Authority having jurisdiction over any party hereto shall have enacted, issued, promulgated, enforced, or entered any Laws or Orders, whether temporary, preliminary, or permanent, that make illegal, enjoin, or otherwise prohibit consummation of the Merger, the Parent Stock Issuance, or the other Transactions, which Laws or Orders remain in effect.

(b) All consents, approvals and other authorizations of any Governmental Authority set forth on Schedule 6.1(b) and required to consummate the Merger, Parent Stock Issuance, and the other Transactions (other than the filing of the Certificate of Merger with the Secretary of State of the State of Delaware) shall have been obtained, free of any condition that would reasonably be expected to have a Material Adverse Effect on such party.

Section 6.2 Conditions to Obligations of the Company. The obligation of the Company to effect the Merger is also subject to the satisfaction or waiver (where permissible pursuant to applicable Law) by the Company on or prior to the Closing Date of the following conditions:

(a) The representations and warranties of Parent and Merger Sub set forth in ARTICLE III of this Agreement shall be true and correct in all material respects (without giving effect to any limitation indicated by the words "Material Adverse Effect," "in all material respects," "in any material respect," "material," or "materially") when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all material respects as of that date).

(b) Parent and Merger Sub shall have performed in all material respects all obligations, and complied in all material respects with the agreements and covenants in this Agreement required to be performed by or complied with by it at or prior to the Closing.

(c) Since the date of this Agreement, there shall not have been any Material Adverse Effect on Parent and its Subsidiaries, taken as a whole, or any event, change, or effect that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Parent and its Subsidiaries, taken as a whole.

(d) Parent and Merger Sub shall have delivered, or causes to be delivered, to the Company or the Company Stockholders, as applicable, at the Closing, the Closing deliveries described in Section 1.8(b).

(e) The Parent Common Stock shall be listed for trading on a Trading Market.

Section 6.3 Conditions to Obligation of Parent and Merger Sub. The obligation of Parent and Merger Sub to effect the Merger is also

subject to the satisfaction or waiver (where permissible by applicable Law) by Parent on or prior to the Closing Date of the following conditions:

(a) The representations and warranties of the FT Stockholders and the Company set forth in ARTICLE IV of this Agreement shall be true and correct in all material respects (without giving effect to any limitation indicated by the words "Material Adverse Effect," "in all material respects," "in any material respect," "material," or "materially") when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all material respects as of that date).

(b) The FT Stockholders and the Company shall have performed in all material respects all obligations, and complied in all material respects with the agreements and covenants in this Agreement required to be performed by or complied with by them at or prior to the Closing.

(c) Since the date of this Agreement, there shall not have been any Material Adverse Effect on the Company and its Subsidiaries, taken as a whole, or any event, change, or effect that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company and its Subsidiaries, taken as a whole.

(d) The FT Stockholders and the Company shall have delivered, or caused to be delivered, to Parent at the Closing, the closing deliveries described in Section 1.8(c).

(e) Parent shall have completed and be satisfied with its financial due diligence of the Company and its Subsidiaries (including without limitation preparation of the Company Audited Financial Statements and Parent being satisfied with the results thereof).

(f) As of the Closing, the Company shall have no Indebtedness other than trade payables that are not past due and have been incurred in the Ordinary Course of Business.

(g) Parent shall have received the Financing on terms satisfactory to it.

(h) Parent and Merger Sub shall have received the Closing Statement and shall be reasonably satisfied that, as of the Closing, the Working Capital Ratio shall be not less than 1:1 and the Company shall have free and unrestricted cash of not less than $500,000.00.

(i) Parent and Merger Sub shall have received verification satisfactory to them that the Company has paid or made arrangements satisfactory to Parent for the payment of all Taxes relating to the Company and its Subsidiaries and all of their income, businesses, assets or properties relating to all periods prior to the Closing.

(j) The consents, waivers, approvals, authorizations, Orders, Permits, declarations, filings, registrations, actions and notifications set forth on Schedule 3.3 shall have been obtained and be in full force and effect.

ARTICLE VII
TERMINATION, AMENDMENT, AND WAIVER

Section 7.1 Termination By Mutual Consent. This Agreement may be terminated at any time prior to the Effective Time by the mutual written consent of Parent and the Company.

Section 7.2 Termination By Either Parent or the Company. This Agreement may be terminated by either Parent or the Company at any time prior to the Effective Time:

(a) if the Closing shall not have occurred on or before June 30, 2019 (the " **End Date** "); *provided, however,* that the right to terminate this Agreement pursuant to this Section 7.2(a) shall not be available to (x) Parent if the breach of any representation, warranty, covenant, or agreement of Parent or the Merger Sub set forth in this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before the End Date or (y) the Company if the breach of any representation, warranty, covenant, or agreement of an FT Stockholder or the Company set forth in this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before the End Date; or

(b) if any Governmental Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced, or entered any Law or Order making illegal, permanently enjoining, or otherwise permanently prohibiting the consummation of the Merger, Parent Stock Issuance, or the other Transactions, and such Law or Order shall have become final and non-appealable; *provided, however,* that the right to terminate this Agreement pursuant to this Section 7.2(b) shall not be available to (i) Parent if the breach of any representation, warranty, covenant, or agreement of Parent or the Merger Sub set forth in this Agreement has been the cause of, or resulted in, the issuance, promulgation, enforcement, or entry of any such Law or Order or (ii) the Company if the breach of any representation, warranty, covenant, or agreement of an FT Stockholder or the Company set forth in this Agreement has been the cause of, or resulted in, the issuance, promulgation, enforcement, or entry of any such Law or Order.

Section 7.3 Termination in the Event of Breach .

(a) This Agreement may be terminated by Parent at any time prior to the Effective Time if (a) neither Parent nor Merger Sub is at the time in material breach of this Agreement and (b) a material breach of any representation or warranty of an FT Stockholder or the Company or failure by an FT Stockholder or the Company to perform in any material respect any covenant or agreement of such FT Stockholder or the Company set forth in this Agreement shall have occurred and such breach or failure to perform would cause any of the conditions set forth in Section 6.1 or Section 6.2 not to be satisfied, and such breach or failure to perform either cannot be cured or, if curable, has not been cured prior to the earlier of (A) the fifteenth (15 th) calendar day following receipt by the Company of written notice of such breach or failure to perform from Parent and (B) the calendar day immediately prior to the End Date.

(b) This Agreement may be terminated by the Company at any time prior to the Effective Time if (a) neither the FT Stockholders nor the Company is at the time in material breach of this Agreement and (b) a material breach of any representation or warranty of Parent or Merger Sub or failure by Parent or Merger Sub to perform in any material respect any covenant or agreement of Parent or Merger Sub set forth in this Agreement shall have occurred and such breach or failure to perform would cause any of the conditions set forth in Section 6.1 or Section 6.3 not to be satisfied, and such breach or failure to

perform either cannot be cured or, if curable, has not been cured prior to the earlier of (A) the fifteenth (15th) calendar day following receipt by Parent of written notice of such breach or failure to perform from the Company and (B) the calendar day immediately prior to the End Date.

Section 7.4 Procedure for and Effect of Termination . A party seeking to terminate this Agreement pursuant to this Article VII shall deliver written notice of such termination to each of the other parties, and this Agreement shall thereupon terminate and become void and have no effect, and the Transactions shall be abandoned without further action by any party, except that the provisions of Article VIII shall survive the termination of this Agreement; provided, however, that such termination shall not relieve any party of any liability that arose prior to the date of termination or, with respect to those provisions that survive termination, that arises after such termination. If this Agreement is terminated as provided herein, each party shall, as requested by the applicable other party(ies), either redeliver to such other party(ies), or certify to such other party(ies) the destruction of, all Confidential Information of such other party(ies), whether obtained before or after the execution hereof.

Section 7.5 Termination Fee .

(a) If and only if this Agreement has been terminated by the Company in accordance with Section 7.2(a) because of the failure of the condition set forth in Section 6.3(g) to be satisfied or waived in writing by Parent by the End Date (excluding for the purposes of this Section 7.5(a) any permanent financing intended to refinance such bridge debt referred to in the definition of Financing as set forth in the Recitals), then within fifteen (15) days following such termination Parent shall pay or cause to be paid to the Company, as liquidated damages and not as a penalty, an amount equal to Five Hundred Thousand Dollars ($500,000) (the " **Termination Fee** "). The parties have negotiated the Termination Fee to be a reasonable estimate of the Company's loss in the event of a termination of this Agreement due to a failure of the above-referenced condition. The parties understand and agree that in no event shall Parent be required to pay the Termination Fee on more than one occasion.

(b) Notwithstanding anything to the contrary in this Agreement, if the Termination Fee is payable in accordance with Section 7.5(a), then the sole and exclusive remedy of the Company, the Company Stockholders and any other Person (whether at law, in equity, in contract, in tort or otherwise) against Parent, Merger Sub, their Affiliates, their Representatives, the assignees of any thereof and any other Person for any breach, loss or damage shall be to terminate this Agreement and receive payment of the Termination Fee only to the extent provided by Section 7.5(a), and none of Parent, Merger Sub, their Affiliates, their Representatives, any such assignees or any other Person will have any liability or obligation to the Company, the Company Stockholders or any other Person relating to or arising out of this Agreement or in respect of any other document or theory of law or equity or in respect of any oral or written representations made or alleged to be made in connection herewith or therewith, whether at law or equity, in contract, in tort or otherwise, except for any such Person's Fraud in arranging the Financing or breach of Section 5.2 regarding Confidential Information. The Financing Sources (and such Financing Source's Affiliates, equityholders, members, partners, officers, directors, employees, agents, advisors and Representatives) are express third party beneficiaries of this Section 7.5(b).

Section 7.6 Amendment. At any time prior to the Effective Time, this Agreement may be amended, modified or supplemented in any and all respects by written agreement signed by each of the parties hereto; *provided, however,* that (a) there shall be no amendment, modification or supplement to the provisions of this Agreement which by Law or in accordance with the rules of any relevant self-regulatory organization would require further approval by the holders of the Parent Common Stock without such approval and (b) any amendment, modification or supplement of Section 5.8(b) or Section 7.5 shall require the prior written consent of the Financing Sources that have been identified in writing by Parent to the Company.

Section 7.7 Extension; Waiver. At any time prior to the Effective Time, the Company, on the one hand, or Parent, on the other hand, may: (a) extend the time for the performance of any of the obligations of the other party(ies); (b) waive any inaccuracies in the representations and warranties of the other party(ies) contained in this Agreement or in any document delivered under this Agreement; or (c) unless prohibited by applicable Law, waive compliance with any of the covenants, agreements, or conditions contained in this Agreement. Any agreement on the part of a party to any extension or waiver will be valid only if set forth in an instrument in writing signed by such party. The failure of any party to assert any of its rights under this Agreement or otherwise will not constitute a waiver of such rights.

Section 7.8 Target Date . The parties shall use commercially reasonable efforts to effect the Merger contemplated by this Agreement on or before April 30, 2019.

ARTICLE VIII
INDEMNITY; SURVIVAL

Section 8.1 Survival of Representations and Warranties and Covenants and Agreements .

(a) Each of the representations and warranties of Parent and Merger Sub, on the one hand, and the Company and the FT Stockholders, on the other hand, contained in this Agreement or in any Transaction Closing Certificate shall survive until the expiration of eighteenth months following the Closing Date, and shall thereupon expire, except that (i) the Fundamental Parent Representations and the Fundamental Company Representations shall survive for a period of six (6) years from the Closing Date and (ii) the representations and warranties set forth in Section 4.7 (Taxes) shall survive until the applicable statute of limitations has run plus six (6) months. Each (x) of the covenants and agreements set forth in this Agreement to be performed on or prior to the Closing shall survive the Closing until the second anniversary of the date of the Closing Date and shall thereupon expire and (y) of the other covenants and agreements set forth in this Agreement shall survive the Closing without limitation as to time; provided, that if a covenant or agreement referred to in this clause (y) specifies a term, in such case the performance obligations under such covenant or agreement shall survive for such specified term and shall thereupon expire, but the right of the Parent Indemnified Parties and the Company Indemnified Parties, as applicable, to make a claim for a breach of any such covenant or agreement, which such breach occurred prior to the expiration of the performance obligations pursuant to the terms of such covenant or agreement, shall survive until six (6) months following the specified term of such covenant or agreement, and shall thereupon expire. The parties agree that the time periods set forth in this Section 8.1(a), to the extent shorter than an applicable statute of limitations, is intended by the parties to function as a private statute of limitations.

(b) Subject to Section 8.1(a) and Section 8.3(h), from and after the Closing Date, the Company Stockholders, jointly and severally, shall indemnify the Parent Indemnified Parties and hold them harmless from and against any and all Losses suffered, sustained or incurred by such Parent Indemnified Party arising out of or resulting from:

(i) Subject to Section 8.2, the breach of any representation or warranty of the Company or the FT Stockholders set forth in Article IV

or any Transaction Closing Certificate;

(ii) Indemnified Taxes, Transfer Taxes or failure to file any Tax Returns as set forth in Section 5.13;

(iii) the breach of any covenant or agreement of the Company or the FT Stockholders contained in this Agreement or any Transaction Closing Certificate;

(iv) any claim by a shareholder or former optionholder of the Company that the proceeds payable to such shareholder or optionholder in connection with the Transactions are inadequate; or

(v) any actual Company Transaction Expenses that were not taken into account for purposes of calculating the Company Transaction Expenses or the Final Closing Working Capital Ratio.

(c) Subject to Section 8.1(a), from and after the Closing, Parent shall indemnify the Company Indemnified Parties and hold them harmless from and against any and all Losses suffered, sustained or incurred by such Company Indemnified Party arising out of or resulting from:

(i) the breach of any representation or warranty of Parent or Merger Sub set forth in Article III or any Transaction Closing Certificate delivered at the Closing; or

(ii) the breach of any covenant or agreement of Parent or Merger Sub contained in this Agreement or any Transaction Closing Certificate.

(d) For purposes of determining whether there has been, and the Losses for, a breach of any representation or warranty set forth in this Agreement or any Transaction Closing Certificate, (A) each representation and warranty made in this Agreement is made without any qualification or limitations as to materiality or Material Adverse Effect and (B) without limiting the foregoing, the word "material", "Material Adverse Effect" and words of similar import shall be deemed deleted from any such representation or warranty.

(e) The rights of the Parent Indemnified Parties and the Company Indemnified Parties to indemnification pursuant to the provisions of this Article VIII are subject to the following limitations:

(i) Notwithstanding anything in this Article VIII (other than Section 8.3(h)), in no event shall (A) the Company Stockholders be required to provide indemnification to any of the Parent Indemnified Parties with respect to any claim for indemnification made pursuant to Section 8.1(b)(i) unless and until the Losses associated with all claims for indemnification made pursuant to Section 8.1(b)(i) incurred by the Parent Indemnified Parties aggregate at least Six Hundred Thousand Dollars ($600,000) (the " **Basket** "), after which point the Company Stockholders shall only be required to provide indemnification with respect to indemnifiable Losses with respect to any such claim for indemnification made pursuant to Section 8.1(b)(i) in excess of the Basket; provided, however, that, notwithstanding anything to the contrary contained herein, the Basket shall not apply to any indemnification claims made with respect to the Fundamental Company Representations, the representations and warranties set forth in Section 4.7 (Taxes), indemnification claims made pursuant to Sections 8.1(b)(ii) through 8.1(b)(v) or any claim based on Fraud or criminal activity; (B) the Company Stockholders be required to provide indemnification to the Parent Indemnified Parties for indemnifiable Losses arising from claims for indemnification made pursuant to Section 8.1(b)(i) in an aggregate amount in excess of Eight Million Dollars ($8,000,000) (the " **Indemnification Cap** "), except with respect to claims made with respect to the Fundamental Company Representations or any claim based on Section 4.7 (Taxes), Fraud or criminal activity; (C) the Company Stockholders be required to provide indemnification to the Parent Indemnified Parties for indemnifiable Losses arising from claims for indemnification made pursuant to Section 4.7 (Taxes) in an aggregate amount in excess of Ten Million Dollars ($10,000,000); or (D) the Company Stockholders be required to provide indemnification to the Parent Indemnified Parties for indemnifiable Losses arising from claims for indemnification made pursuant to Section 8.1(b) in excess of the aggregate Merger Consideration received by all Company Stockholders.

(ii) Notwithstanding anything to the contrary in this Article VIII, in no event shall (A) Parent be required to provide indemnification to any of the Company Indemnified Parties with respect to any claim for indemnification made pursuant to Section 8.1(c)(i) unless and until the Losses associated with all claims for indemnification made pursuant to Section 8.1(c)(i) incurred by the Company Indemnified Parties aggregate at least the Basket, after which point Parent shall only be required to provide indemnification with respect to indemnifiable Losses with respect to any such claim for indemnification made pursuant to Section 8.1(c)(i) in excess of the Basket; provided, however, that notwithstanding anything to the contrary contained herein, the Basket shall not apply to any indemnification claims made with respect to the Fundamental Parent Representations, indemnification claims made pursuant to Section 8.1(c)(ii) or any claim based on Fraud or criminal activity; (ii) in no event shall Parent be required to provide indemnification to the Company Indemnified Parties for indemnifiable Losses arising from claims for indemnification made pursuant to Section 8.1(c)(i) in an aggregate amount in excess of the Indemnification Cap except with respect to claims based on Fraud or criminal activity; and (iii) in no event shall Parent be required to provide indemnification to the Company Indemnified Parties for indemnifiable Losses with respect to Section 8.1(c) in an aggregate amount in excess of the Merger Consideration.

Section 8.2 Effect of R&W Policy . If the R&W Policy is obtained on or before the Closing:

(a) This Section 8.2 shall not limit Section 9.13 or any covenant or agreement of the parties contained in this Agreement or any other Transaction Document except as set forth in this Section 8.2.

(b) Subject to the Basket, Indemnification Cap and other limitations set forth in this Article VIII, from and after the Closing Date, the Company Stockholders, jointly and severally, shall indemnify the Parent Indemnified Parties and hold them harmless from and against any and all Losses suffered, sustained or incurred by such Parent Indemnified Party arising out of or resulting from the breach of any representation or warranty made by an FT Stockholder or the Company in Article IV or any Transaction Closing Certificate that is not covered under the R&W Policy (or if covered in part, to the extent not covered under the R&W Policy) . Notwithstanding anything to the contrary in this Section 8.2(b), the Parent Indemnified Parties shall be required to take good faith, commercially reasonable efforts to obtain a recovery under the R&W Policy for indemnifiable Losses under Section 8.1 that are covered under the R&W Policy, before seeking recovery for such Losses against the Company Stockholders, including without limitation pursuing all commercially reasonably administrative and judicial rights and remedies to obtain payment under the R&W Policy.

(c) Subject to Section 8.2(b) and Section 9.13, Parent, on its own behalf and on behalf of the Parent Indemnified Parties, acknowledges and agrees that the sole and exclusive remedy of the Parent Indemnified Parties with respect to any and all claims for any breach of, or inaccuracy in, any representation or warranty by the FT Stockholders or the Company in this Agreement or any Transaction Closing Certificate shall be pursuant to the R&W Policy. In furtherance of the foregoing, if the R&W Policy is obtained, Parent hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of, or inaccuracy in, any representation or warranty set forth herein or otherwise relating to the Merger or any Transaction Closing Certificate that they may have against the Company Stockholders, except as set forth in Section 8.2(b) or Section 9.13. For the avoidance of doubt, the R&W Policy shall not be the sole and exclusive remedy of the Parent Indemnified Parties with respect to any claims for, and the Company Stockholders, jointly and severally, shall indemnify the Parent Indemnified Parties and hold them harmless from and against, any and all Losses suffered, sustained or incurred by such Parent Indemnified Party arising out of or resulting from, the breach of any representation or warranty made in Section 4.7 (Taxes) of this Agreement, provided that the Parent Indemnified Parties have first sought recovery under the R&W Policy and complied with the second sentence of Section 8.2(b) as to those representations or warranties not expressly excluded from the R&W Policy.

(d) For the avoidance of doubt, the Parent Indemnified Parties shall not be entitled to indemnification from the Company Stockholders to the extent such Losses would have been covered under the R&W Policy if not for a failure by a Parent Indemnified Party to properly make a claim thereunder (or otherwise comply with the terms thereof).

Section 8.3 Miscellaneous .

(a) The parties agree that the rights to indemnification under this Article VIII shall be the sole remedy that any Indemnified Party will have in connection with this Agreement and the Transactions, provided, however, that nothing in this Article VII limit any Parent Indemnified Party's right (i) to seek and obtain any equitable relief to which it shall be entitled pursuant to Section 9.13, (ii) to seek any remedy on account of any party's Fraud or criminal misconduct, or (iii) right to obtain any remedies a Parent Indemnified Party may have against any insurer under the R&W Policy providing coverage for any breach or inaccuracy of the representations and warranties in this Agreement.

(b) If the Company Stockholders fail to satisfy any of their indemnification obligations under this Article VIII or make a payment required under Section 1.7(b), then Parent is expressly authorized to set-off against and deduct from any payment of the Earn-Out Amount the amount of such unsatisfied obligations under this Article VIII or Section 1.7(b), and apply the amount so set-off and deducted against such obligations until such obligations are satisfied in full. This right of set-off and deduction shall be in addition to, and not in lieu of, any other rights or remedies a Parent Indemnified Party shall have against a Company Stockholder pursuant to this Agreement, under law or in equity. For the avoidance of doubt, if a Parent Indemnified Party prevails in a claim for Fraud, criminal misconduct or breach of any covenant or agreement by FT Stockholders or the Company (as applicable) then such Parent Indemnified Party shall be entitled to reimbursement from the Company Stockholders for all fees and expenses (including reasonable attorneys' and accountants' fees and court costs) incurred by it with respect to such claim and any proceeding with respect thereto (but excluding in-house counsel and compensation of or overhead charges for internal personnel).

(c) The right to indemnification, recovery of Losses or any other remedy under this Agreement shall not be affected by any investigation conducted with respect to, or any knowledge acquired (or capable of being acquired) at any time, whether before or after the execution and delivery of this Agreement or the Closing Date, with respect to the accuracy or inaccuracy of or compliance with any representation, warranty, covenant or agreement made by any party to this Agreement. The waiver of any condition based on the accuracy of any such representation or warranty, or on the performance of or compliance with any such covenant or agreement, shall not affect the right to indemnification, recovery of Losses or any other remedy based on any such representation, warranty, covenant or agreement. No Person shall be required to show reliance on any representation, warranty, certificate or other agreement in order for such Person to be entitled to indemnification hereunder; provided that nothing in this Section 8.3(c) shall impair or diminish the representations and warranties set forth in Section 3.13 of this Agreement.

(d) Neither the Parent Indemnified Parties nor the Company Indemnified Parties shall be entitled to indemnification for any Losses not arising from Third Party Claims relating to any difference, variation or change between the Company Unaudited Financial Statements and the Company Audited Financial Statements arising from, as a result of, or in connection with any adjustments made, recommended, requested or required by the Auditors or Parent, any change in method of accounting relating thereto or the inclusion of any item of income in, or exclusion of any item of deduction from, taxable income that is different as between the Company Unaudited Financial Statements and the Company Audited Financial Statements; provided, however, that nothing in this Section 8.3(d) shall diminish or affect any representation or warranty made in Section 4.4 or the obligations set forth in Section 5.10 or waive any rights or remedies of the Parent Indemnified Parties with respect to any breach of any of such representations, warranties or obligations.

(e) Other than as a result of a breach of the representations and warranties set forth in Section 4.7 (Taxes) or a breach of any covenant or agreement of the Company or the FT Stockholders contained in Section 5.13, the Company Indemnified Parties shall not be liable for any Losses arising from, as a result of, or in connection with, Parent voluntarily amending any Tax Return of the Company or its Subsidiaries for any pre-Closing Period or Straddle Period, provided, however, that (i) for the avoidance of doubt, if the Parent or the Surviving Company agrees to amend any such Tax Return as a result of a settlement of any audit or other Legal Action commenced by a Governmental Authority, such amendment shall not constitute a voluntary amendment for purposes of Section 5.13(e) and (ii) nothing in this Section 8.3(e) shall diminish or affect any representation or warranty made in Section 4.7 or the obligations set forth in Section 5.13 or waive any rights or remedies of the Parent Indemnified Parties with respect to any breach of any of such representations, warranties or obligations.

(f) Each Company Stockholder and the Company acknowledge that the agreements contained in this Article VIII are an integral part of the Transactions, and that, without these agreements, Parent and Merger Sub would not enter into this Agreement.

(g) Neither the Parent Indemnified Parties nor the Company Indemnified Parties shall be entitled to indemnification for any Losses relating to any matter under one provision of this Agreement to the extent such Parent Indemnified Parties or Company Indemnified Parties has already recovered such Losses with respect to such matter pursuant to another provision of this Agreement.

(h) Notwithstanding any reference in this Agreement to joint and several liability of the Company Stockholders to the contrary, (i) the Minor Company Stockholder shall be liable to the Parent Indemnified Parties for any obligation of the Company Stockholder only to the extent of such Minor Company Stockholder's Pro Rata Portion of such obligation, and (ii) the aggregate liability of the Minor Company Stockholder under this Article VIII shall be

equal to such Minor Company Stockholder's Pro Rata Portion of the Merger Consideration received by such Minor Company Stockholder. Nothing in this Section 8.3(h), however, shall affect, impair or diminish the joint and several liability for the full amount of any obligation of the Company Stockholders under this Agreement of any Company Stockholder other than the Minor Company Stockholder.

(i) Notwithstanding any other provision of this Agreement, in no event shall any party to this Agreement be required to indemnify or hold harmless any other party or otherwise compensate any other party for Losses with respect to mental or emotional distress, exemplary, consequential, special or punitive damages, lost profits, damage to reputation or the like (unless a party is required to pay such Losses to a third party as a result of a Third Party Claim), except as expressly provided in section 8.1.

Section 8.4 Indemnification Claim Procedure .

(a) Promptly after obtaining knowledge of any matter that a Parent Indemnified Party or a Company Indemnified Party, acting in good faith, reasonably believes will entitle such Parent Indemnified Party or Company Indemnified Party (in such capacity, an " **Indemnified Party** ") to indemnification under this Article VIII from any Person who would be obligated to indemnify such Indemnified Party if the claim is indemnifiable hereunder (such obligated Person, the " **Indemnifying Party** "), such Indemnified Party shall promptly provide to the Stockholder Representative, if the Indemnified Party is a Parent Indemnified Party, or to Parent, if the Indemnified Party is a Company Indemnified Party (in this capacity, the " **Indemnifying Party Representative** "), written notice describing the matter in reasonable detail, including the nature of the claim, the basis for the indemnification obligation and the Losses resulting therefrom (a " **Notice of Claim** "); provided, however, that the failure to timely provide a Notice of Claim hereunder shall not relieve any Indemnifying Party of the obligation to indemnify such Indemnified Party except to the extent that such Indemnified Party's failure to provide or delay in providing a Notice of Claim actually prejudices the Indemnifying Party's ability to defend against or contest or resolve such matter.

(b) For claims for indemnification under this Article VIII other than those relating to Third Party Claims, during the period of fifteen (15) Business Days after delivery of the Notice of Claim, the Indemnifying Party Representative may deliver to the Indemnified Party who delivered such Notice of Claim a response (a " **Response Notice** ") in which the Indemnifying Party Representative (i) agrees that the full amount of Losses stated in the Notice of Claim is owed to such Indemnified Party, (ii) agrees that part (but not all) of the amount of Losses stated in the Notice of Claim is owed to such Indemnified Party or (iii) asserts that no part of the amount of Losses stated in the Notice of Claim is owed to such Indemnified Party. Unless the Indemnifying Party Representative agrees in such Response Notice that the full amount of Losses stated in the Notice of Claim is owed to such Indemnified Party, such Response Notice shall set forth, in reasonable detail, the Indemnifying Party Representative's objections to the claims and its basis for such objections. If the Indemnifying Party Representative fails to provide such a Response Notice to the Indemnified Party who delivered the related Notice of Claim within such fifteen (15) Business Day period, the Indemnifying Parties shall be deemed to have agreed that the full amount of Losses set forth in the Notice of Claim is owed to such Indemnified Party and the Indemnifying Party Representative or the Indemnified Party may thereafter pursue any legal remedies available to it under this Agreement with respect to the claims set forth in such Notice of Claim, subject, to the extent applicable, to the Basket, the Indemnification Cap and the other provisions of this Article VIII. If the Indemnifying Party Representative provides a Response Notice within such fifteen (15) Business Day period and such Response Notice objects to any of the claims set forth in the Notice of Claim, the Indemnified Party and the Indemnifying Party Representative, as the case may be, shall negotiate the resolution of the claim(s) for a period of not less than fifteen (15) Business Days after such Response Notice is delivered to such Indemnified Party. If the Indemnified Party and the Indemnifying Party Representative are unable to resolve all such claims within such time period, the Indemnified Party or Indemnifying Party Representative may thereafter pursue any legal remedies available to it with respect solely to the unresolved claims, subject, to the extent applicable, to the Basket, the Indemnification Cap and the other provisions of this Article VIII.

Section 8.5 Third Party Claims .

(a) The Indemnifying Party Representative shall have the right to assume and pursue the defense of any claim or Legal Action by a Person that is not a party to the Agreement or an Affiliate or Related Party of a party to this Agreement (a " **Third Party Claim** "), with legal counsel selected by it that is reasonably acceptable to the Indemnified Party, upon written notification thereof to the Indemnified Party within twenty (20) days after the Notice of Claim has been delivered to the Indemnifying Party Representative. Notwithstanding the foregoing sentence, the Indemnifying Party Representative shall not have the right to assume or pursue the defense of a Third Party Claim if (i) such Third Party Claim relates to a Legal Action that is reasonably expected to result in imprisonment or any criminal action; (ii) such Third Party Claim involves a request exclusively for equitable relief or any other non-monetary relief against the Indemnified Party; (iii) such third party claim involves or is reasonably expected to involve a request for monetary relief and also equitable relief or any other non-monetary relief against the Indemnified Party or any of its Affiliates which, if granted, would materially and adversely impact the current or future business operations, assets or properties, liabilities, condition (financial or otherwise) of the Indemnified Party or any of its Subsidiaries; (iv) such Third Party Claim involves a Legal Action in which an Indemnifying Party and the Indemnified Party are both named parties to the applicable Legal Action and the Indemnified Party shall have reasonably concluded based on the advice of counsel that representation of both parties by the same counsel, or the conduct of such defense by the Indemnifying Party Representative, would result in a conflict of interest or that different defenses may be available; (v) the Losses claimed or likely to be claimed in such Third Party Claim will exceed one hundred fifty percent (150%) of the amount such Indemnified Party will be entitled to recover as a result of the limitations on indemnification contained herein (including the Basket and the Indemnification Cap); or (vi) such Third Party Claim involves any Governmental Authority as a party thereto, and, in each such case, the Indemnified Party shall be indemnified for the reasonable fees and expenses of its counsel (limited to one firm for all Indemnified Parties and, if applicable, one local counsel in each applicable jurisdiction for all Indemnified Parties) if such Indemnified Party is entitled to indemnification with respect to such Third Party Claim pursuant to this Article VIII.

(b) Unless and until the Indemnified Party receives such notification from the Indemnifying Party Representative within such twenty (20) day period that it will assume the defense of a Third Party Claim, if the Indemnifying Party does not have the right to assume and pursue the defense of such Third Party Claim pursuant to Section 8.5(a) or, at any time after the Indemnifying Party Representative has assumed the defense of such Third Party Claim if (i) the Indemnifying Party Representative has failed to or is failing to vigorously prosecute and defend such Third Party Claim or (ii) such Third Party Claim involves a Legal Action in which an Indemnifying Party and the Indemnified Party are both named parties and the Indemnified Party shall have reasonably concluded based on the advice of counsel that representation of both parties by the same counsel, or the conduct of such defense by the Indemnifying Party Representative, would be result in a conflict of interest or that different defenses may be available, the Indemnified Party shall thereafter fully assume, commence and pursue its defense or settlement of such Third Party Claim on a timely and prudent basis in its sole discretion (without waiving any rights against the Indemnifying Parties) and promptly inform the Indemnifying Party Representative of all material developments related thereto.

(c) During the twenty (20) day period referred to in Section 8.5(a), the Indemnified Party shall, and shall cause its Representatives and Affiliates to, provide such information to the Indemnifying Party Representative as the Indemnifying Party Representative may reasonably request in connection

with its evaluation of whether a Third Party Claim is an indemnifiable claim under this Article VIII. If during such twenty (20) day period the Indemnifying Party Representative fails to acknowledge to the Indemnified Party that any Losses resulting from such Third Party Claim are indemnifiable Losses for which the Indemnified Party is entitled to indemnification under this Article VIII, subject to the limitations set forth in Section 8.1, Section 8.2 and the other provisions of this Article VIII, the Indemnified Party may at any time after such twenty (20) day period assume the defense of such Third Party Claim upon notice to that effect to the Indemnifying Party Representative.

(d) If the Indemnifying Party Representative assumes the defense of a Third Party Claim, it shall thereafter promptly inform the Indemnified Party of all material developments related thereto. With respect to any Third Party Claim for which the Indemnifying Party Representative has assumed the defense, the Indemnified Party shall have the right, but not the obligation, to participate, at its own cost and expense, in the defense of such Third Party Claim through legal counsel reasonably selected by it and, except to the extent provided in Section 8.5(b), at its own cost and expense. The Indemnified Party shall, and shall cause its Representatives and Affiliates to, during normal business hours, upon reasonable notice, cooperate in all reasonable ways with, make its and their relevant files and records reasonably available for inspection and copying by, make its and their employees reasonably available to, and otherwise render reasonable assistance to, the Indemnifying Party Representative.

(e) If the Indemnifying Party Representative (having assumed the defense of a Third Party Claim) or the Indemnified Party (having proceeded with its own defense of a Third Party Claim in accordance with this Section 8.5) proposes to settle or compromise such Third Party Claim, the Indemnifying Party Representative and the Indemnified Party, as applicable, shall provide written notice to that effect (together with a reasonably detailed statement of the terms and conditions of such settlement or compromise) to the Indemnified Party or Indemnifying Party Representative, as applicable, which notice shall be provided a reasonable time prior to the proposed time for effecting such settlement or compromise, and shall not affect any such settlement or compromise without the prior written consent of the Indemnified Party or the Indemnifying Party Representative, as applicable, which consent shall not be unreasonably withheld, delayed or conditioned. If: (i) the Indemnifying Party Representative provides any such notice; (ii) the related settlement or compromise offer provides for (A) the full release of the Indemnified Party from any and all liability in respect of such Third Party Claim, (B) involves no admission of liability, guilt or wrongdoing by the Indemnified Party or its Affiliates, (C) excludes any non-monetary relief that would limit or restrict or otherwise be materially adverse to the business or operations of the Indemnified Party or its Affiliates and (D) any monetary relief contemplated by such settlement is fully covered by the Company Stockholders' or Parent's, as the case may be, indemnification payments pursuant to this Article VIII; and (iii) the Indemnified Party fails to provide, in a reasonably timely manner, its consent to such settlement or compromise, then notwithstanding anything to the contrary in this Article VIII, the Indemnifying Party's indemnification obligation under this Article VIII with respect to such Third Party Claim will not exceed the amount of such settlement or compromise offer and the Indemnified Party will be required to pay the excess of the amount necessary to settle or compromise such Third Party Claim over the amount of such settlement or compromise offer.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Expenses . Except as otherwise expressly provided for in this Agreement, Parent and Merger Sub, on the one hand, and the Company Stockholders and the Company, on the other hand, shall each bear their respective expenses, costs and fees (including attorneys', auditors' and financing fees, if any) incurred in connection with the Merger, this Agreement, the other Transaction Documents and the Transactions, including the preparation, execution and delivery of this Agreement and compliance herewith, regardless of whether the Closing occurs.

Section 9.2 Interpretation; Construction .

(a) The table of contents and headings herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof. Where a reference in this Agreement is made to a Section, Exhibit, Article, or Schedule, such reference shall be to a Section of, Exhibit to, Article of, or Schedule of this Agreement unless otherwise indicated. Unless the context otherwise requires, references herein: (i) to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (ii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. Whenever the words "include," "includes," or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation," and the word "or" is not exclusive. The word "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and does not simply mean "if." A reference in this Agreement to $ or dollars is to U.S. dollars. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. The words "hereof," "herein," "hereby," "hereto," and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

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

Section 9.3 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to any principle or rule (whether of the State of New York or any other jurisdiction) that would cause the application of Laws of any jurisdiction other than those of the State of New York.

Section 9.4 Submission to Jurisdiction. Each of the parties hereto irrevocably agrees that any Legal Action with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder brought by any other party hereto or its successors or assigns shall be brought and determined exclusively in the Supreme Court, State of New York, County of New York, or any federal court sitting in the State of New York, County of New York. Each of the parties hereto agrees that mailing of process or other papers in connection with any such Legal Action in the manner provided in Section 9.6 or in such other manner as may be permitted by applicable Laws, will be valid and sufficient service thereof. Each of the parties hereto hereby irrevocably submits with regard to any such action or proceeding for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any action relating to this Agreement or any of the Transactions in any court or tribunal other than the aforesaid courts. Each of the parties hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim, or otherwise, in any Legal Action with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder: (a) any claim that it is not personally subject to the jurisdiction of the above named courts for any reason other than the failure to serve process in

accordance with this Section 9.4; (b) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise); and (c) to the fullest extent permitted by the applicable Law, any claim that (i) the suit, action or proceeding in such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper, or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 9.5 Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT: (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION; (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER; (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY; AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.5.

Section 9.6 Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand; (b) when received by the addressee if sent by a nationally recognized overnight carrier (receipt requested); (c) on the date sent by facsimile (with confirmation of transmission) if sent before 5:00 p.m. on a Business Day, and on the next Business Day if sent after 5:00 p.m.; or (d) on the fifth (5 th) Business Day after the date mailed, by U.S. certified or registered mail, return receipt requested, first class postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 9.6):

If to the FT Stockholders, the Stockholder Representative or the Company, to:	Future Today Inc 3723 Haven Ave., Suite 133 Menlo Park, CA 94025 Facsimile: Attention: Alok Ranjan and Vikrant Mathur
with a copy (which will not constitute notice to the FT Stockholders, the Stockholder Representative or the Company) to:	Osborn McDerby LLP 333 Bush Street, 21st Floor San Francisco, CA 94104 Facsimile: (415) 329-7155 Attention: Richard G. J. McDerby, Esq.
If to Parent or Merger Sub, to:	Cinedigm Corp. 45 West 36th Street, 7th Floor New York, NY 10018 Facsimile: Attention: Gary S. Loffredo, Esq., President, Digital Cinema & General Counsel
with a copy (which will not constitute notice to the Company or Merger Sub) to:	Kelley Drye & Warren LLP 101 Park Avenue New York, NY 10178 Facsimile: (212) 808-7897 Attention: Jonathan Cooperman, Esq. and Merrill B. Stone, Esq.

or to such other Persons, addresses or facsimile numbers as may be designated in writing by the Person entitled to receive such communication as provided above.

Section 9.7 Entire Agreement . This Agreement (including the Exhibits to this Agreement), the Schedule, and the other Transaction Documents constitute the entire agreement among the parties with respect to the subject matter of this Agreement and supersede all other prior agreements and understandings, both written and oral, among the parties to this Agreement with respect to the subject matter of this Agreement. In the event of any inconsistency between the statements in the body of this Agreement, the other Transaction Documents or the Schedules (other than an exception expressly set forth as such in the Schedules), the statements in the body of this Agreement will control.

Section 9.8 No Third Beneficiaries . Except as expressly provided herein (which shall be to the benefit of the Persons expressly referred to), this Agreement is for the sole benefit of the parties hereto and their permitted assigns and respective successors and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

Section 9.9 Severability . If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the Transactions be consummated as originally contemplated to the greatest extent possible.

Section 9.10 Assignment . This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may assign or delegate its rights or obligations hereunder without the prior written consent of the other parties. Any purported assignment or delegation without such consent shall be null and void. No assignment or delegation shall relieve the assigning party of any of its obligations hereunder.

Section 9.11 Authorization of Stockholder Representative .

(a) By virtue of the vote of all of the Company Stockholders that approved the Merger and adopted this Agreement, and without any further act of any of the Company Stockholders, Ranjan and Mathur are hereby appointed, authorized and empowered to act as Stockholder Representative for the benefit of the Company Stockholders, as the sole and exclusive agent and attorney-in-fact to act on behalf of each Company Stockholder and such Company Stockholder's heirs, executors, administrators, legal representatives, successors and assigns, in connection with and to facilitate the consummation of the Transactions contemplated hereby, which shall include (without limitation) the power and authority:

(i) To execute and deliver the Transaction Documents to which it is a party (with such modifications or changes therein as to which the Stockholder Representative, in its sole discretion, shall have consented) and to agree to such amendments or modifications thereto as the Stockholder Representative, in its sole discretion, determines to be desirable;

(ii) To negotiate, execute and deliver such waivers, modifications, amendments, consents and other documents required or permitted to be given in connection with this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby as the Stockholder Representative, in its sole discretion, may deem necessary or desirable;

(iii) To take any action on behalf of the Company Stockholders or any individual Company Stockholder that may be necessary or desirable, as determined by the Stockholder Representative in its sole discretion, in connection with negotiating or entering into settlements, resolutions and compromises with respect to the adjustments or payments contemplated by this Agreement;

(iv) To collect and receive all moneys and other proceeds and property payable to the Stockholder Representative or the Company Stockholders, as applicable, from Parent as described herein or in the other Transaction Documents, and, subject to any applicable withholding retention laws, and net of any out-of-pocket expenses incurred by the Stockholder Representative, the Stockholder Representative shall disburse and pay, except as otherwise provided hereunder, any amount payable to the Company Stockholders to each of the Company Stockholders to the extent of such Company Stockholder's share of such amount;

(v) To enforce and protect the rights and interests of the Company Stockholders and to enforce and protect the rights and interests of the Stockholder Representative arising out of or under or in any manner relating to this Agreement and the other Transaction Documents, and each other agreement, document, instrument or certificate referred to herein or therein or the transactions provided for herein or therein, and to take any and all actions which the Stockholder Representative believes are necessary or appropriate under this Agreement or the Transaction Documents, including actions in connection with the determination of any payment due hereunder or thereunder for and on behalf of the Company Stockholders, including: (A) assert any claim or institute any action, proceeding or investigation; (B) investigate, defend, contest or litigate any claim, action, proceeding or investigation initiated by Parent or any other Person, or by any federal, state or local Governmental Authority against the Stockholder Representative or any of the Company Stockholders, and receive process on behalf of any or all Company Stockholders in any such claim, action, proceeding or investigation and compromise or settle on such terms as the Stockholder Representative shall determine to be appropriate, and give receipts, releases and discharges with respect to, any such claim, action, proceeding or investigation; (C) file any proofs of debt, claims and petitions as the Stockholder Representative may deem advisable or necessary; (D) settle or compromise any claims asserted under this Agreement or the Transaction Documents; and (E) file and prosecute appeals from any decision, judgment or award rendered in any such action, proceeding or investigation, it being understood that the Stockholder Representative shall not have any obligation to take any such actions, and shall not have any liability for any failure to take any such actions;

(vi) To refrain from enforcing any right of any Company Stockholder or the Stockholder Representative arising out of or under or in any manner relating to this Agreement, the Transaction Documents or any other agreement, instrument or document in connection with the foregoing; *provided* , *however* , that no such failure to act on the part of the Stockholder Representative, except as otherwise provided in this Agreement, shall be deemed a waiver of any such right or interest by the Stockholder Representative or by such Company Stockholder unless such waiver is in writing signed by the waiving party or by the Stockholder Representative; and

(vii) To make, execute, acknowledge, deliver and receive all such other agreements, guarantees, orders, receipts, endorsements, notices, requests, instructions, certificates, stock powers, letters and other writings, and, in general, to do any and all things and to take any and all action that the Stockholder Representative, in its sole and absolute discretion, may consider necessary or proper or convenient in connection with or to carry out the transactions contemplated by this Agreement, the Transaction Documents, and all other agreements, documents or instruments referred to herein or therein or executed in connection herewith and therewith.

(b) All actions, decisions and instructions of the Stockholder Representative shall be conclusive and binding upon all of the Company Stockholders and their respective heirs, executors, administrators, legal representatives, successors and assigns, and no Company Stockholder, such Company Stockholder's heirs, executors, administrators, legal representatives, successors or assigns or any other Person acting on behalf of any Company Stockholder shall have any claim or cause of action against the Stockholder Representative or the right to object to, dissent from, protest or otherwise contest the same, and the Stockholder Representative shall have no liability to any Company Stockholder, such Company Stockholder's heirs, executors, administrators, legal representatives, successors or assigns or any other Person acting on behalf of any Company Stockholder, for any action taken, decision made or instruction given by the Stockholder Representative in connection with this Agreement or any Transaction Document, except in the case of the Stockholder Representative's own gross negligence or willful misconduct. In the performance of its duties hereunder, the Stockholder Representative shall be entitled to rely upon any document or instrument reasonably believed by it to be genuine, accurate as to content and signed by any Company Stockholder, Parent or any other Person. The Stockholder Representative may assume that any Person purporting to give any notice in accordance with the provisions hereof has been duly authorized to do so.

(c) The Stockholder Representative shall have such powers and authority as are necessary or appropriate to carry out the functions assigned to it under this Agreement and in any other document delivered in connection herewith. The Stockholder Representative shall be entitled to engage such counsel, experts and other agents and consultants as it shall deem necessary in connection with exercising its powers and performing its function hereunder and (in the absence of willful misconduct on the part of the Stockholder Representative) shall be entitled to conclusively rely on the opinions and advice of such Persons. Notwithstanding anything to the contrary contained herein, the Stockholder Representative in its capacity as such shall have no fiduciary duties or responsibilities to any Company Stockholder or the Company and no duties or responsibilities except for those expressly set forth herein, and no implied covenants, functions, responsibilities, duties, obligations or liabilities on behalf of any Company Stockholder shall otherwise exist against or with respect to the

Stockholder Representative in its capacity as such. Parent and Merger Sub shall be able to rely on any action or information provided by the Stockholder Representative without inquiry and no Company Stockholder and such Company Stockholder's heirs, executors, administrators, legal representatives, successors and assigns, any party hereunder or under any other Transaction Document or any other Person shall have any cause of action against Parent, Merger Sub or the Surviving Company to the extent such Persons have relied upon the instructions or decisions of the Stockholder Representative.

(d) In no event shall the Stockholder Representative (in its capacity as such) be liable hereunder or in connection herewith for any special, indirect, consequential, contingent, speculative, punitive or exemplary damages, or lost profits, diminution in value or any damages based on any type of multiple of earnings, cash flow or similar measure or for any liabilities resulting from the actions of a Company Stockholder other than the Stockholder Representative acting in its capacity as such. Parent and Merger Sub shall have the right to rely upon all actions taken or omitted to be taken by the Stockholder Representative pursuant to this Agreement and the other Transaction Documents, without any duty of inquiry, all of which actions or omissions shall be legally binding upon the Company Stockholders. The grant of authority provided for herein (i) is coupled with an interest and shall be irrevocable by any act of any Company Stockholder or by operation of Law and all of the indemnities, immunities, authority and power granted to the Stockholder Representative hereunder shall survive the death, incompetency, bankruptcy or liquidation of any Company Stockholder and (ii) shall survive the Closing or any termination of this Agreement or any Transaction Document.

(e) The Stockholder Representative shall not be liable for any act done or omitted hereunder as Stockholder Representative while acting in good faith. The Company Stockholders shall indemnify the Stockholder Representative and hold the Stockholder Representative harmless against any loss, liability or expense incurred without gross negligence or willful misconduct on the part of the Stockholder Representative or any of its Affiliates and any of their respective partners, members, attorneys, accountants, advisors or controlling Persons and arising out of or in connection with the acceptance or administration of the Stockholder Representative's duties hereunder, including the reasonable fees and expenses of any legal counsel retained by the Stockholder Representative. Parent (on its behalf and on behalf of its Affiliates, including, after the Closing, the Company) acknowledges that the Stockholder Representative is party to this Agreement solely for purposes of serving as the Stockholder Representative hereunder.

(f) All fees and expenses (including legal, accounting and other advisors' fees and expenses, if applicable) reasonably incurred by the Stockholder Representative in performing any actions under this Agreement or the other Transaction Documents shall be borne by the Stockholder Representative.

(g) EACH COMPANY STOCKHOLDER INTENDS FOR THE AUTHORIZATIONS AND AGREEMENTS IN THE FOREGOING SECTIONS OF THIS SECTION 9.11 TO REMAIN IN FORCE AND NOT BE AFFECTED IF SUCH COMPANY STOCKHOLDER SUBSEQUENTLY DIES, BECOMES MENTALLY OR PHYSICALLY DISABLED, INCOMPETENT, OR INCAPACITATED AND DOES HEREBY AUTHORIZE SUCH RECORDINGS AND FILINGS HEREOF AS THE STOCKHOLDER REPRESENTATIVE MAY DEEM APPROPRIATE.

Section 9.12 Waiver of Conflicts; Attorney-Client Privilege . Recognizing that Osborn McDerby LLP (the " **Company Law Firm** ") has acted as legal counsel to the Company prior to the Closing, and that the Company Law Firm intends to act as legal counsel to the Stockholder Representative after the Closing, each of Parent and the Surviving Company, and on behalf of their Subsidiaries, hereby waives, on its own behalf and agrees to cause its Subsidiaries to waive, any conflicts that may arise in connection with the Company Law Firm representing the Stockholder Representative after the Closing as such representation may relate to the Transactions and the Parent and/or the Surviving Company. In addition, except as disclosed to Parent by the Company or the Stockholder Representative in the negotiation of the Transactions, all communications involving attorney-client confidences between the Company, including its Board of Directors, officers, employees and Representatives in the course of the negotiation, documentation and consummation of this Agreement and the Transactions hereby shall be deemed to be attorney-client communications that belong solely to such Stockholder Representative, not the Surviving Company. Accordingly, neither Parent nor the Surviving Company shall have access to any such communications, or to the files of the Company Law Firm relating to its engagement, whether or not the Closing shall have occurred. Without limiting the generality of the foregoing, upon and after the Closing, (a) the Stockholder Representative, and not the Surviving Company, shall be the sole holder of the attorney-client privilege with respect to such engagement, and neither Parent nor the Surviving Company shall be a holder thereof, (b) to the extent that files of the Company Law Firm in respect of such engagement constitute property of the client, only the Stockholder Representative, and not the Surviving Company, shall hold such property rights, and (c) the Company Law Firm shall have no duty whatsoever to reveal or disclose any such attorney-client communications or files to the Surviving Company by reason of any attorney-client relationship between the Company Law Firm and the Surviving Company or otherwise. Notwithstanding the foregoing, in the event that a dispute arises between Parent or the Surviving Company and a third party (other than a party to this Agreement or any of their respective Representatives or Affiliates) after the Closing, the Surviving Company may assert the attorney-client privilege to prevent disclosure of confidential communications by the Company Law Firm to such third party; provided, however, that neither the Surviving Company nor the Parent may waive such privilege without the prior written consent of the Stockholder Representative.

Section 9.13 Specific Performance. The parties hereto agree that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with its terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any court referred to in Section 9.4, in addition to any other remedy to which they are entitled at Law or in equity.

Section 9.14 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts, all of which will be one and the same agreement. Delivery of a signature page by facsimile or other electronic means shall be deemed to be the equivalent of a manually executed original signature page. This Agreement will become effective when each party to this Agreement will have received counterparts signed by all of the other parties.

[SIGNATURE PAGE FOLLOWS]

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

PARENT:
CINEDIGM CORP.

By _ /s/ Christopher J. McGurk _
Name: Christopher J. McGurk
Title: Chief Executive Officer

MERGER SUB:

C&F MERGER SUB, INC.

By _ /s/ Christopher J. McGurk _
Name: Christopher J. McGurk
Title: Chief Executive Officer

COMPANY:

FUTURE TODAY INC

By _ /s/ Alok Ranjan_____
Name: Alok Ranjan
Title: President

FT STOCKHOLDERS:

_ /s/ Alok Ranjan_____
Alok Ranjan

_ /s/ Vikrant Mathur_____
Vikrant Mathur

STOCKHOLDER REPRESENTATIVE:

_ /s/ Alok Ranjan_____
Alok Ranjan

_ /s/ Vikrant Mathur_____
Vikrant Mathur

COMPANY STOCKHOLDERS:

_ /s/ Alok Ranjan_____
Alok Ranjan

_ /s/ Vikrant Mathur_____
Vikrant Mathur

[TRUST]

By _ /s/ ___ _____
Trustee

[TRUST]

By _ /s/ _____
Trustee

[TRUST]

By _ /s/ _____
Trustee

APPENDIX A

Definitions

Definitions. For purposes of this Agreement, the following terms will have the following meanings when used herein with initial capital letters:

" **85 Percent Amount** " has the meaning set forth in Schedule 1.5(c).

" **Accounts Receivable** " has the meaning set forth in Section 4.14.

" **Affiliate** " means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such first Person. For the purposes of this definition, "control" (including, the terms "controlling," "controlled by," and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by Contract, or otherwise.

" **Agreement** " has the meaning set forth in the Preamble.

" **Audited Financial Statements** " has the meaning set forth in Section 3.4(b).

" **Auditors** " has the meaning set forth in Section 5.10.

" **Basket** " has the meaning set forth in Section 8.1(e)(i).

" **Benefit Plan** " means, with respect to a Person, any "employee benefit plan" within the meaning of Section 3(3) of ERISA including any plan, Contract or arrangement (regardless of whether funded or unfunded) which is sponsored by such Person or any of its Subsidiaries, or to which such Person or any of its Subsidiaries makes contributions, which provides compensation or benefits to any employee of such Person or any of its Subsidiaries (in his or her capacity as an employee) or to which such Person, its ERISA Affiliates, or any of its Subsidiaries has any Liability with respect to any current or former employee (in such capacity).

" **Benefits Liabilities** " means all amounts, without duplication, that become due and payable by the Company or any of its Subsidiaries to directors, officers or employees of the Company or any of its Subsidiaries as a result of the execution of this Agreement and/or the other Transaction Documents (excepting the Employment Agreements) or consummation of the Transactions, including change of control, severance, transaction bonus or other similar payment rights, and any obligation of the Company or any of its Subsidiaries for the employer portion of any employment-related Taxes arising with respect to the payment of the foregoing amounts.

" **Bison** " means Bison Capital Holding Limited and/or the Affiliate(s) of Bison Capital Holding Limited that acquire Parent Common Stock to finance the Merger Consideration, as applicable.

" **Business Day** " means any day, other than Saturday, Sunday, or any day on which banking institutions located in New York, New York or California are authorized or required by Law or other governmental action to close.

" **Cash Consideration** " has the meaning set forth in Section 1.5(a).

" **Certificate of Merger** " has the meaning set forth in Section 1.3.

" **CFIUS** " has the meaning set forth in Section 3.11.

" **CFIUS Approval** " means (i) a written notification issued by CFIUS that it has determined that the Transactions are not a "covered transaction" pursuant to Exon-Florio, (ii) a written notification issued by CFIUS that it has determined that there are no unresolved national security concerns with respect to the Transactions and CFIUS has concluded all action with respect to its review (or, if applicable, investigation) of the Transactions, and such determination is not conditioned upon the commitment of Parent to take any action described in Section 5.7(b) (unless Parent in its sole discretion agrees to take such action), or (iii) if CFIUS has sent a report to the President of the United States requesting the President's decision with respect to the Transactions, and either (A) the period under Exon-Florio during which the President may announce his decision to take action to suspend or prohibit the Transactions has expired without any such action being announced or taken, or (B) the President has announced a decision not to take any action to suspend or prohibit the Transactions and has not required Parent to take any action described in Section 5.7(b) (unless Parent in its sole discretion agrees to take such action).

" **Charter Documents** " means the certificate of incorporation (including certificate of designations), certificate of formation, by-laws, operating agreement or like organizational documents, each as amended, of any Person.

" **Closing** " has the meaning set forth in Section 1.2.

“ **Closing Date** ” has the meaning set forth in Section 1.2.

“ **Closing Statement** ” has the meaning set forth in Section 1.6(a).

“ **Closing Stock Consideration** ” has the meaning set forth in Section 1.5(a).

“ **Closing Working Capital Ratio** ” has the meaning set forth in Section 1.7(a).

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

“ **Company** ” has the meaning set forth in the Preamble.

“ **Company Assets** ” has the meaning set forth in Section 4.23(b).

“ **Company Audited Financial Statements** ” has the meaning set forth in Section 5.10.

“ **Company Board** ” has the meaning set forth in the Recitals.

“ **Company CFIUS Expenses** ” the fees and expenses of attorneys and any other advisors incurred by the Company in connection with the preparation and filing of the joint voluntary notice with CFIUS pursuant to Section 5.7.

“ **Company Common Stock** ” has the meaning set forth in the Recitals.

“ **Company Disclosure Schedules** ” means the disclosure schedule delivered by the Company to Parent concurrently with the execution and delivery of this Agreement and dated as of the date of this Agreement.

“ **Company Equity Interest** ” has the meaning set forth in Section 4.2(a).

“ **Company Indemnified Party** ” means the Company and its Affiliates, the Company Stockholders, and their respective directors, officers, managers, partners, employees, equityholders, agents, attorneys, Representatives and successors and assigns.

“ **Company Insurance Policies** ” has the meaning set forth in Section 4.16.

“ **Company Software** ” has the meaning set forth in Section 4.21(c).

“ **Company Stockholders** ” has the meaning set forth in the Recitals to this Agreement.

“ **Company Transaction Expenses** ” means any fees, costs and expenses incurred, payable (whether or not incurred by) or subject to reimbursement by (or with respect to the transfer of) the Company or any of its Subsidiaries, and not paid prior to the Closing, in each case in connection with the Transactions, including: (a) fees and expenses of professionals (including investment bankers, attorneys, accountants and other consultants and advisors), if any; (b) any amounts pursuant to an agreement in effect prior to Closing and related to any transaction bonuses, discretionary bonuses, change in control payments, phantom equity payouts, “stay-put” or other compensatory payments payable to any current or former employees, agents, directors, officers, independent contractors and consultants of and to the Company or any of its Subsidiaries (including the employer portion of any payroll, social security, unemployment or similar Taxes related thereto) in connection with this Agreement and the other Transaction Documents or the consummation of the Transactions, any change of control of the Company or any of its Subsidiaries resulting from the Transactions, or any other change of control or acceleration payments; (c) Transfer Taxes not paid by the Company Stockholders under Section 5.13(h); (d) subject to Section 5.15, the costs and expenses of the R&W Policy and (e) the Company CFIUS Expenses. For the avoidance of doubt, it is understood that this definition shall not include any fees or expenses incurred by Parent, Merger Sub, or their Affiliates or any of their financial advisors, attorneys, accountants, advisors, consultants or Representatives or potential or actual financing sources, regardless of whether any such fees or expenses may be paid or reimbursed by the Company or any of its Subsidiaries.

“ **Company Unaudited Financial Statements** ” has the meaning set forth in Section 4.4(a).

“ **Confidential Information** ” has the meaning set forth in Section 5.2(b).

“ **Contingent Obligation** ” means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to any indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto.

“ **Contracts** ” means any contracts, agreements, arrangements, understandings, licenses, notes, bonds, mortgages, indentures, leases, or other binding instruments or binding commitments, whether written or oral.

“ **Convertible Notes** ” means Parent’s Convertible Subordinated Promissory Note dated October 9, 2018 in the principal amount of $5,000,000 payable to MingTai Investment, LP.

“ **DGCL** ” has the meaning set forth in Section 1.1.

“ **Dispute Notice** ” has the meaning set forth in Section 1.7(a).

“ **Earn-Out Amount** ” has the meaning set forth in Section 1.5(c).

“ **Earn-Out Period** ” means (a) if the Closing occurs on or before April 1, 2019, each of the fiscal year beginning April 1, 2019, the fiscal year beginning April 1, 2020 and the fiscal year beginning April 1, 2021, respectively, and (b) if the Closing occurs after April 1, 2019, the 12-month period beginning on the first day

of the month following the Closing (or on the Closing if it occurs on the first day of the month).

“ **Earn-Out Shares** ” has the meaning set forth in Section 5.9(b).

“ **EBITDA** ” means for any Earn-Out Period, the Surviving Company’s earnings before interest, taxes, depreciation and amortization for such Earn-Out Period, all determined in accordance with GAAP and consistent with the accounting principles and practices applied by Parent to Parent and its Subsidiaries generally as of the date of this Agreement; provided, however, that any general and administrative expenses allocated by Parent to the Surviving Company shall be excluded for purposes of determining EBITDA.

“ **EDGAR** ” has the meaning set forth in Section 3.4(a).

“ **Effective Time** ” has the meaning set forth in Section 1.3.

“ **Employment Agreements** ” means each Employment Agreement dated as of the Closing Date by and between the Surviving Company and Ranjan and Mathur, as the case may be.

“ **End Date** ” has the meaning set forth in Section 7.2(a).

“ **Environmental Law** ” means any Law, Order or Contract with any Governmental Authority relating to pollution, the protection of human health and the environment, worker health and safety, and/or governing the handling, use, generation, treatment, storage, transportation, disposal, manufacture, distribution, formulation, packaging labeling, Release of or exposure to a Hazardous Material.

“ **Equitable Exceptions** ” means, with respect to the enforceability of any obligation, that such obligation is subject to (a) applicable bankruptcy, insolvency, moratorium, receivership, assignment for the benefit of creditors or other similar state or federal Laws affecting the rights and remedies of creditors generally (including, without limitation, fraudulent conveyance or transfer Laws) and judicially developed doctrines in this area, such as equitable subordination and substantive consolidation of entities and (b) equitable principles (whether considered in a proceeding in equity or at Law).

“ **ERISA** ” means the Employee Retirement Income Security Act of 1974, as amended.

“ **ERISA Affiliate”** means all employers (whether or not incorporated) that are treated together with the Company or any of its Subsidiaries as a “single employer” within the meaning of Section 414 of the Code.

“ **Exchange Act** ” means the Securities Exchange Act of 1934, as amended.

“ **Exon-Florio** ” has the meaning set forth in Section 5.7(a).

“ **FCPA** ” has the meaning set forth in Section 3.8.

“ **Final Closing Working Capital Ratio** ” shall have the meaning set forth in Section 1.7(a).

“ **Final Post-Closing Statement** ” shall have the meaning set forth in Section 1.7(a).

“ **Financial Statements** ” has the meaning set forth in Section 3.4(b).

“ **Financing** ” has the meaning set forth in the Recitals.

“ **Financing Document** ” means any Contracts or documents relating to or entered into in connection with the Financing.

“ **Financing Sources** ” means any lender, investor, underwriter, placement agent or other agent that becomes party to any Financing Document.

“Fraud” means an actual and intentional common law fraud by an FT Stockholder, the Company, Parent, Merger Sub or any Person on behalf of such Persons with respect to the making of the representations, warranties, covenants or agreements contained in this Agreement.

“ **FT Stockholders** ” has the meaning set forth in the Preamble.

“ **Fundamental Company Representations** ” means the representations and warranties of the Company or the FT Stockholders set forth in Sections 4.1(a), 4.1(b), 4.1(c), 4.1(d), 4.2, 4.11 and 4.27.

“ **Fundamental Parent Representations** ” means the representations and warranties of Parent or Merger Sub contained in Sections 3.1(a), 3.1(b), 3.1(d), 3.2 and 3.10.

“ **GAAP** ” means U.S. generally accepted accounting principles, as in effect from time to time.

“ **Good Accounts Receivable** ” shall mean accounts receivable of the Company existing as of the Closing that are collected in full by the Surviving Company within 150 days after the Closing Date.

“ **Governmental Authority** ” means any international, supranational or national government, any state, provincial, local or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of the United States or another nation or jurisdiction, any State of the United States or any political subdivision of any thereof, including without limitation any Judicial Authority or any self-regulatory organization.

“ **Hazardous Material** ” means any substance, material or waste (a) that is regulated, classified, or otherwise characterized under or pursuant to any Environmental Law as “hazardous” or “toxic” or words of similar meaning or effect, including petroleum, petroleum products, petroleum by-products, toxic

mold, asbestos, polychlorinated biphenyls and radioactive materials, or (b) for which liability can be imposed under Environmental Laws.

“ **Increased Percentage** ” has the meaning set forth in Schedule 1.5(c).

“ **Indebtedness** ” of any Person means, without duplication (A) all indebtedness for borrowed money, (B) all obligations issued, undertaken or assumed as the deferred purchase price of property or services, (C) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (D) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (E) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (F) all monetary obligations under any leasing or similar arrangement which, in connection with GAAP, consistently applied for the periods covered thereby, is classified as a capital lease, (G) all indebtedness referred to in clauses (A) through (F) above secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in any property or assets (including accounts and contract rights) owned by any Person, even though the Person which owns such assets or property has not assumed or become liable for the payment of such indebtedness, and (H) all Contingent Obligations in respect of indebtedness or obligations of others of the kinds referred to in clauses (A) through (G) above. For clarity, Indebtedness excludes trade payables that are not past due and have been incurred in the Ordinary Course of Business.

“ **Indemnification Cap** ” has the meaning set forth in Section 8.1(e)(i).

“ **Indemnified Party** ” has the meaning set forth in Section 8.4(a).

“ **Indemnified Taxes** ” means (i) all Taxes (or the non-payment thereof) of the Company and its Subsidiaries for all taxable periods ending on or before the Closing Date and the portion through the end of the Closing Date of any Straddle Period, (ii) all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Company or any of its Subsidiaries (or any predecessor of any of the foregoing) is or was a member on or prior to the Closing Date, including pursuant to Treasury Regulations Section 1.1502-6 or any analogous or similar state, local, or non-U.S. law or regulation, and (iii) any and all Taxes of any Person (other than the Company and its Subsidiaries) imposed on the Company or any of its Subsidiaries as a transferee or successor, by contract or pursuant to any law, rule, or regulation, which Taxes relate to an event or transaction occurring before the Closing (including, without limitation, any Taxes that the Company was required to collect or withhold prior to the Closing).

“ **Indemnifying Party** ” has the meaning set forth in Section 8.4(a).

“ **Indemnifying Party Representative** ” has the meaning set forth in Section 8.4(a).

“ **Independent Accountants** ” has the meaning set forth in Section 1.7(a).

“ **Information Privacy and Security Laws** ” means all applicable Laws relating to privacy, data privacy, data protection, data security and anti-spam, and all applicable regulations promulgated by any Governmental Authority thereunder, including but not limited to, the Gramm-Leach-Bliley Act, the Federal Information Security Management Act, the Fair Credit Reporting Act, the Fair and Accurate Credit Transaction Act, the Federal Trade Commission Act, the Privacy Act of 1974, the CAN-SPAM Act, the Telephone Consumer Protection Act, the Video Privacy Protection Act, the Telemarketing and Consumer Fraud and Abuse Prevention Act, Children’s Online Privacy Protection Act, the Health Insurance Portability and Accountability Act, the General Data Protection Regulation of the European Union, state data security laws, state social security number protection laws, state data breach notification laws, and laws concerning requirements for website and mobile application privacy policies and practices, call or electronic monitoring or recording or any outbound communications (including outbound calling and text messaging, telemarketing, and e-mail marketing) and all equivalent Laws of any other jurisdiction.

“ **Intellectual Property** ” means any and all of the following as they exist in all jurisdictions throughout the world: (a) patents; (b) trademarks, service marks, trade names, trade dress, domain names, brand names, certification marks, logos, corporate names and other indications of origin, together with all goodwill related to the foregoing; (c) copyrights and designs, applications for registrations of copyrights, and copyrightable works and all rights associated therewith and the underlying works of authorship; (d) all inventions, invention certificates, trade secrets, discoveries, processes, formulae, methods, schematics, drawings, blue prints, utility models, designs and design applications, technology, Know-How, software, ideas and improvements, technical data, databases, mask works, customer lists, and other proprietary or confidential information and materials; (e) computer software programs, including all source code, object code and documentation relating thereto and (f) all rights in or to any of the foregoing.

“ **Interim Financial Statements** ” has the meaning set forth in Section 3.4(b).

“ **IP Contracts** ” has the meaning set forth in Section 4.21(a).

“ **IRS** ” means the United States Internal Revenue Service.

“ **IT Systems** ” means all computers, software, hardware, firmware, middleware, servers, systems, sites, circuits, networks, source code, object code, development tools, workstations, routers, hubs, switches, interfaces, platforms, data communications lines, websites, data, and all other telecommunications and information technology assets and equipment, and all associated documentation, in each case, (1) owned by the Company or any of its Subsidiaries or (2) used or held for use by the Company or any of its Subsidiaries, including pursuant to any and all outsourced or cloud computing based arrangements.

“ **Judicial Authority** ” means any court, arbitrator, special master, receiver, tribunal or similar body of any kind (including any Governmental Authority exercising judicial powers or functions of any kind).

“ **Know-How** ” means trade secrets and other data, discoveries, concepts, ideas, research and development, information, formulae, formulations, inventions (whether or not the subject matter of a patent right and including inventions conceived prior to the Closing Date but not documented as of the Closing Date) and invention disclosures, compositions, designs, drawings, plans, proposals, technical data, specifications, manufacturing and production processes and techniques, databases and other proprietary and confidential information, including technical, scientific, analytical, regulatory and business knowledge and materials, customer and supplier lists and contact names, pricing and cost information, financial, business and marketing plans and proposals, techniques, operating manuals and manufacturing and quality control procedures.

“ **Knowledge** ” means with respect to any Person other than an individual, the actual knowledge of such Person’s executive officers and directors and, with respect to an individual, the actual knowledge of such individual in each case, after reasonable inquiry of the individuals at the Person who have responsibility for a specified matter in the course of performing services for the Person.

“ **Laws** ” means any federal, state, local municipal, foreign, multi-national or other laws, common law, statutes, constitutions, ordinances, rules, regulations, codes, Orders, or legally enforceable requirements enacted, issued, adopted, promulgated, enforced, ordered, or applied by any Governmental Authority or Judicial Authority.

“ **Leak Out Shares** ” has the meaning set forth in Section 5.9(c).

“ **Leased Real Property** ” shall mean all leasehold or sub-leasehold estates and other rights to use or occupy any land, buildings, structures, improvements, fixtures, or other interest in real property held by the Company or any of its Subsidiaries.

“ **Legal Action** ” means any claim, suit, action, proceeding, arbitration, mediation, audit, hearing, inquiry or investigation (in each case, whether civil, criminal, administrative, investigative, formal, or informal) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority.

“ **Legal Requirement** ” means: (a) any federal, state, local, municipal, foreign, international, multinational or other Law; (b) the terms and conditions of any Contract with a Governmental Authority; (c) the terms and conditions of any Permit; or (d) any governmental requirements or restrictions of any kind, or any rule, regulation or order promulgated thereunder.

“ **Liability** ” means any liability, indebtedness, or obligation of any kind (whether accrued, absolute, contingent, matured, unmatured, determined, determinable, or otherwise, and whether or not required to be recorded or reflected on a balance sheet under GAAP).

“ **Liens** ” means, with respect to any property or asset, all pledges, liens, mortgages, charges, encumbrances, hypothecations, options, rights of first refusal, rights of first offer, and security interests of any kind or nature whatsoever.

“ **Lockup Period** ” has the meaning set forth in Section 5.9(b).

“ **Loss** ” means any loss, Liability, claim, action, cause of action, cost, damage, deficiency, Tax, penalty, fine or expense, including without limitation reasonable out of pocket attorneys’ fees (but excluding in-house counsel and compensation of or overhead charges for internal personnel).

“ **Material Adverse Effect** ” means, with respect to any Person, any event, occurrence, fact, condition, or change that is, or would reasonably be expected to become, individually or in the aggregate, materially adverse to: (a) the business, results of operations, condition (financial or otherwise), prospects, or assets of such Person and its Subsidiaries taken as a whole or the general conditions in the industry in which such Person and its Subsidiaries operate; or (b) the ability of such Person to consummate the Transactions on a timely basis; *provided, however,* that, for the purposes of clause (a), a Material Adverse Effect shall be deemed not to include events, occurrences, facts, conditions or changes arising out of, relating to or resulting from: (i) changes generally affecting the economy, financial, or securities markets; (ii) the announcement of the Transactions; or (iii) any outbreak or escalation of war or any act of terrorism; *provided further* , *however* , that any event, change, and effect referred to in clauses (i) or (iii) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that such event, change, or effect has a disproportionate effect on such Person and its Subsidiaries, taken as a whole, compared to other participants in the industries in which such Person and its Subsidiaries conduct their businesses.

“ **Material Contracts** ” has the meaning set forth in Section 4.19(a).

“ **Mathur** ” has the meaning set forth in the Preamble.

“ **Mathur Shareholders** ” means, collectively, Mathur and any trust that is for the sole benefit of a child of Mathur that is a Company Stockholder immediately prior to the Effective Time.

“ **Merger** ” has the meaning set forth in Section 1.1.

“ **Merger Consideration** ” has the meaning set forth in Section 1.5(a).

“ **Merger Sub** ” has the meaning set forth in the Preamble.

“ **Merger Sub Board** ” has the meaning set forth in the Recitals.

“ **Minimum Coverage** ” has the meaning set forth in Section 5.15.

“ **Minor Company Stockholder** ” means Sharib Khan.

“ **Non-Competition Agreements** ” means each Non-Competition Agreement dated as of the Closing Date by and between the Surviving Company and Ranjan and Mathur, as the case may be.

“ **Notice of Claim** ” has the meaning set forth in Section 8.4(a).

“ **Order** ” means any judgment, writ, decree, directive, decision, injunction, ruling, award assessment, arbitration award, or order (including any consent decree or cease and desist order) of any kind of any Governmental Authority or Judicial Authority.

“ **Ordinary Course of Business** ” means with respect to any Person, the conduct of its business in accordance with the normal day-to-day customs, practices and procedures, consistent with past practice.

“ **Outstanding Options** ” has the meaning set forth in Section 3.2(a).

“ **Outstanding Warrants** ” has the meaning set forth in Section 3.2(a).

“ **Owned IP** ” has the meaning set forth in Section 4.21(a).

“ **Owned Real Estate** ” means all land, together with all buildings, structures, fixtures, and improvements located thereon and all easements, rights of way, and appurtenances relating thereto, owned by the Company or any of its Subsidiaries.

“ **Parent** ” has the meaning set forth in the Preamble.

“ **Parent Board** ” has the meaning set forth in the Recitals.

“ **Parent Common Stock** ” means the Class A common stock of Parent, par value $0.001 per share.

“ **Parent Equity Interests** ” means, collectively, the Parent Common Stock, the Series A Preferred Stock and the Undesignated Preferred Stock.

“ **Parent Indemnified Party** ” means Parent and each of its Affiliates (which, following the Closing, shall include the Surviving Company and the Company’s Subsidiaries) and its and their respective directors, officers, managers, partners, employees, equityholders, agents, attorneys, Representatives and successors and assigns.

“ **Parent Stock Issuance** ” has the meaning set forth in the Recitals.

“ **Per Share Consideration** ” means, with respect to any Company Stockholder (a) for the Cash Consideration, the aggregate Cash Consideration divided by the number of shares of Company Common Stock issued and outstanding immediately prior to the Effective Time, (b) for the Stock Consideration, that number of shares of the Parent Common Stock equal to the number of shares constituting the Stock Consideration, calculated in accordance with this Agreement, divided by the number of shares of Company Common Stock issued and outstanding immediately prior to the Effective Time, with any fractional shares amounts being paid in cash in lieu of Parent Common Stock (c) for any Earn-Out Amount paid in cash, the aggregate amount of such Earn-Out Amount divided by the number of shares of Company Common Stock issued and outstanding immediately prior to the Effective Time, and (d) for any issuance of Earn-Out Shares, that number of shares of the Parent Common Stock equal to the number of shares constituting such Earn-Out Shares, calculated in accordance with this Agreement, divided by the number of shares of Company Common Stock issued and outstanding immediately prior to the Effective Time, with any fractional share amounts being paid in cash in lieu of the Parent Common Stock.

“ **Permits** ” means any consent, franchise, license, approval, authorization, registration, certificate, certification or permit issued or granted by any Governmental Authority.

“ **Permitted Liens** ” means: (a) statutory Liens for or in respect of current Taxes or other governmental charges that are not yet due and payable or the amount or validity of which is being contested in good faith by the Company by appropriate proceedings and are accrued in full on the Company Unaudited Financial Statements; (b) workers’, mechanics’, materialmen’s, repairmen’s, suppliers’, carriers’, tenants’, or similar statutory Liens arising in the Ordinary Course of Business with respect to obligations that are not yet due and payable; (c) solely with respect to Leased Real Property, all covenants, conditions, restrictions (including any zoning, entitlement, conservation, restriction, and other land use and environmental regulations by Governmental Authorities having jurisdiction over such Leased Real Property), easements, charges, rights-of-way, and other Liens over real property that, individually or in the aggregate, do not materially impair the use of the Leased Real Property; and (d) all other Liens on tangible personal property that, individually or in the aggregate, do not materially impair the value of the property subject to such Liens.

“ **Permitted Share Amount** ” has the meaning set forth in Section 5.9(c).

“ **Person** ” means any individual, corporation, limited or general partnership, limited liability company, limited liability partnership, trust, association, joint venture, Governmental Authority, or other entity or group (which term will include a “group” as such term is defined in Section 13(d)(3) of the Exchange Act).

“ **Personal Information** ” means, collectively, any information or data that can be used, directly or indirectly, alone or in combination with other information possessed or controlled by the Company or its Subsidiaries, to identify an individual and any other information or data that, in the manner such information is possessed or controlled by the Company or its Subsidiaries, is associated with any individual (including name, address, telephone number, email address, photograph, credit or payment card information, bank account number, financial data or account information, password combinations, customer account number, date of birth, government-issued identifier, social security number, race, ethnic origin/nationality, and mental or physical health or medical information) or that is otherwise governed, regulated or protected by one or more Information Privacy and Security Laws.

“ **Post-Closing Statement** ” has the meaning set forth in Section 1.7(a).

“Post-Closing Stock Consideration” has the meaning set forth in Section 1.5(a).

“ **Pro Rata Portion** ” means, with respect to each Company Stockholder, the quotient obtained by dividing (i) the number of shares held by such Company Stockholder immediately prior to the Effective Time by (ii) the aggregate number of shares of Company Common Stock issued and outstanding immediately prior to the Effective Time.

“ **Public Software** ” means any software that is, contains, or is derived in any manner from, in whole or in part, any software that is distributed as freeware, shareware, open source Software (e.g., Linux) or similar licensing or distribution models.

“ **R&W Expenses** ” has the meaning set forth in Section 5.15.

“ **R&W Policy** ” has the meaning set forth in Section 5.15.

“ **Ranjan** ” has the meaning set forth in the Preamble.

“ **Ranjan Shareholders** ” means, collectively, Ranjan and any trust that is for the sole benefit of a child of Ranjan that is a Company Stockholder immediately

prior to the Effective Time.

“ **Real Estate** ” means the Owned Real Estate and the Leased Real Property.

“ **Registered Intellectual Property** ” has the meaning set forth in Section 4.21(a).

“ **Registration Rights Agreement** ” has the meaning set forth in Section 5.9(g).

“ **Related Party** ” means any Affiliate, stockholder, director, officer, consultant or employee of the Company or any Company Stockholder, any member of the “immediate family” (as defined under Rule 16a-1(e) under the Exchange Act) of any of the foregoing or any Person in which any such Affiliate, stockholder, director, officer, consultant, employee of the Company or member of an immediate family has any direct or indirect interest.

“ **Related Party Transaction** ” means any Contract, arrangement, relationship, Liability or obligation that is required to be disclosed on Schedule 4.27 or, if not in existence or effect as of the date of this Agreement but was in existence within the last twenty four 24 months preceding the date of this Agreement, would have been required to have been disclosed on Schedule 4.27 if it were in existence or effect as of the date of this Agreement.

“ **Release** ” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, migrating, leaching, dumping, or disposing of a Hazardous Material.

“ **Remedial Action** ” means all actions, including any capital expenditures, required or voluntarily undertaken (a) to clean up, remove, treat or in any other way address any Hazardous Material or other substance; (b) to prevent the Release or threat of Release or to minimize the further Release of any Hazardous Material or other substance so it does not migrate or endanger or threaten to endanger public health or welfare or the environment; (c) to perform pre-remedial studies and investigations or post-remedial monitoring and care; or (d) to bring all Real Estate and the operations conducted thereon into compliance with Environmental Laws and environmental Permit or Order.

“ **Representatives** ” means, with respect to any Person, its directors, officers, employees, attorneys, accountants, advisors, and investment bankers.

“ **Response Notice** ” has the meaning set forth in Section 8.4(b).

“ **Review Period** ” has the meaning set forth in Section 1.7(a).

“ **Sanctions** ” has the meaning set forth in Section 3.9(a)(i).

“ **Sarbanes-Oxley Act** ” has the meaning set forth in Section 3.4(a).

“ **SEC** ” means the United States Securities and Exchange Commission and any successor thereto.

“ **SEC Documents** ” means all registration statements, prospectuses, reports, schedules, forms, statements, and other documents (including exhibits and all other information incorporated by reference) filed or furnished by Parent with or to the SEC since January 1, 2015.

“ **Securities Act** ” means the Securities Act of 1933, as amended.

“ **Securities Issuances** ” has the meaning set forth in Section 5.16(a).

“ **Series A Preferred Stock** ” has the meaning set forth in Section 3.2(a).

“ **Stock Consideration** ” has the meaning set forth in Section 1.5(a).

“ **Stock Plans** ” has the meaning set forth in Section 3.2(a).

“ **Stockholder Representative** ” means Ranjan and Mathur, solely in their capacity as representative of the Company Stockholders.

“ **Straddle Period** ” has the meaning set forth in Section 5.13(d).

“ **Subsidiary** ” of a Person means another Person (other than an individual) of which a majority of the shares of voting securities (or the equivalent) 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.

“ **Subsidiary Equity Interest** ” has the meaning set forth in Section 4.2(b).

“ **Surviving Company** ” has the meaning set forth in Section 1.1.

“Tax Authority ” means, with respect to any Tax, the Governmental Authority that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such Governmental Authority.

“ **Tax Contest** ” has the meaning set forth in Section 5.13(e).

“ **Tax Returns** ” means any return, declaration, report, claim for refund, information return or statement, or other document relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“ **Taxes** ” means (i) all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, alternative or add-on minimum, escheat or unclaimed property, windfall profits, customs, duties or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such

additions or penalties, whether disputed or not, (ii) a liability for amounts of the type described in clause (i) as a result Section 1.1502-6 of the Treasury Regulations, as a result of being a transferee or successor, or as a result of a contract or otherwise, or (iii) any penalties or fees for failure to file or late filing of any Tax Returns.

" **Termination Fee** " has the meaning set forth in Section 7.5(a).

" **Third Party Claim** " has the meaning set forth in Section 8.5(a).

" **Trading Market** " means the following markets or exchanges on which the Parent Common Stock is listed or quoted for trading on the date in question: the New York Stock Exchange, the NYSE MKT, the Nasdaq Global Market, the Nasdaq Global Select Market, and the Nasdaq Capital Market (or any of their respective successors).

" **Transaction Closing Certificates** " means the deliverables set forth in Section 1.8(b)(vii) through (ix) and Section 1.8(c)(iv) through (vi) and (ix).

" **Transaction Documents** " means this Agreement, the Certificate of Merger, the Employment Agreements, the Non-Competition Agreements and the Registration Rights Agreement.

" **Transactions** " means each of the transactions and actions contemplated by this Agreement and the other Transaction Documents.

" **Transfer Agent** " means American Stock Transfer & Trust Company, LLC, as transfer agent for the Parent Common Stock.

" **Transfer Taxes** " means all sales, use, transfer, documentary, stamp, registration and other similar Taxes, and all conveyance, recording and other similar fees, incurred in connection with the consummation of the Transactions, including any penalties and interest with respect to the foregoing and the costs of preparing and filing any Tax Returns with respect to such Taxes and fees; *provided* that for the avoidance of doubt, any income Tax, capital gains Tax or similar Tax due or owing by any Company Stockholder, and any payroll Tax payable with respect to any payments contemplated by this Agreement, shall not in any instance be considered a Transfer Tax.

" **Treasury Regulations** " means the Treasury regulations promulgated under the Code, as amended from time to time (including any successor regulations).

" **Undesignated Preferred Stock** " has the meaning set forth in Section 3.2(a).

" **Working Capital Ratio** " means the ratio of a ratio of Good Accounts Receivable to accounts payable of the Company.

EXHIBIT A

CERTIFICATE OF MERGER

OF

C&F MERGER SUB, INC.

INTO

FUTURE TODAY INC

_____, 2019

Pursuant to Section 251(c) of the Delaware General Corporation Law (the " DGCL "), the undersigned, Future Today Inc, a Delaware corporation (the " Company "), hereby certifies to the following information relating to the merger of C&F Merger Sub, Inc., a Delaware corporation (" Merger Sub "), with and into the Company (the " Merger ").

FIRST: That the name and state of incorporation of each of Merger Sub and the Company is: C&F Merger Sub, Inc., a Delaware corporation, and Future Today Inc, a Delaware corporation (each a " Constituent Corporation ").

SECOND: That an agreement and plan of merger (the " Merger Agreement ") by and between the Constituent Corporations has been approved, adopted, executed and acknowledged by each of the Constituent Corporations in accordance with the requirements of Section 251(c) of the DGCL.

THIRD: That the Company shall be the surviving corporation of the Merger and, as of the effective time of the Merger, the name of the surviving corporation shall be Future Today Inc.

FOURTH: That the certificate of incorporation of the Company shall be amended and restated in its entirety as of the effective time of the

Merger to read as set forth in Exhibit A hereto.

FIFTH: That the executed Merger Agreement is on file at the principal offices of the surviving corporation located at 45 West 36th Street, 7th Floor, New York, NY 10018.

SIXTH: That a copy of the Merger Agreement will be furnished by the surviving corporation on request and without cost, to any stockholder of the Constituent Corporations.

SEVENTH: That the Merger shall be effective upon the filing of this Certificate of Merger with the Secretary of State of Delaware in accordance with Section 251 and Section 103 of the DGCL.

IN WITNESS WHEREOF , the undersigned has executed this Certificate of Merger as of the date first written above.

FUTURE TODAY INC

By:_____
Name: Alok Ranjan
Title: President

Exhibit A

Amended and Restated Certificate of Incorporation

[see attached]

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
FUTURE TODAY INC.

FIRST: The name of the corporation is Future Today Inc. (the " Corporation ").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 251 Little Falls Drive, Wilmington, Delaware 19808. The name of its registered agent at such address is Corporation Service Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware (the " GCL ").

FOURTH: The Corporation is authorized to issue 1,500 shares of common stock, no par value per share.

FIFTH: The Board of Directors of the Corporation is expressly authorized to adopt, amend or repeal the Bylaws of the Corporation (the " Bylaws ") unless otherwise provided in the Bylaws.

SIXTH: The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. Elections of directors need not be by written ballot unless otherwise provided in the Bylaws.

SEVENTH: The personal liability of the directors of the Corporation is hereby eliminated to the fullest extent permitted by the GCL. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law, (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the GCL or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this Article SEVENTH shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment.

EIGHTH: The Corporation may indemnify each director, officer, trustee, employee or agent of the Corporation and each person who is or was serving at the request of the Corporation as a director, officer, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise in the manner and to the fullest extent provided in Section 145 of the GCL as the same now exists or may hereafter be amended.

EXHIBIT B

FORM OF REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (the " Agreement ") is made and entered into as of _____, 2019, by and between Cinedigm Corp., a Delaware corporation (the " Company ") and the purchasers listed on Schedule 1 attached hereto (the " Purchasers "). The Company and each of the Purchasers have entered into that certain Agreement and Plan of Merger dated as of March 14, 2019 (the " Agreement and Plan of Merger ") by and among the Company, C&F Merger Sub, Inc., Future Today Inc, Alok Ranjan and Vikrant Mathur, in the capacities of FT Stockholders and Stockholder Representative. Terms used but not otherwise defined herein shall have the meanings assigned to them in the Agreement and Plan of Merger.

RECITALS

WHEREAS, pursuant to the Agreement and Plan of Merger, the Company will issue and sell and the Purchasers will purchase an aggregate of 10,000,000 shares (the " Purchased Shares "), of the Class A common stock of the Company, par value US$0.001 per share (the " Class A Shares "), subject to the terms and conditions thereof; and

WHEREAS, it is a condition to the Closing that, among other things, this Agreement has been executed and delivered by the parties hereto.

NOW, THEREFORE, in consideration of the foregoing premises, mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

AGREEMENT

1. **Definitions**

For the purposes of this Agreement:

(a) Registrable Securities

" Registrable Securities " shall mean the Purchased Shares and any Class A Shares issued pursuant to Section 1.5(d) of the Agreement and Plan of Merger, together with any Class A Shares obtained by each Purchaser or any party that controls, is controlled by or is under common control with such Purchaser (a " Related Transferee " of such Purchaser) through any stock split, stock dividend or any similar issuance in respect of the Purchased Shares or any Class A Shares issued pursuant to Section 1.5(d) of the Agreement and Plan of Merger.

Notwithstanding the foregoing, " Registrable Securities " shall exclude (i) any Registrable Securities sold by a person in a transaction in which rights under this Agreement are not expressly assigned in accordance with this Agreement , (ii) any Registrable Securities sold into the public market, whether sold pursuant to Rule 144 (" Rule 144 ") promulgated under the Securities Act of 1933, as amended (the " 1933 Act "), or in a registered offering, or otherwise, or (iii) any Registrable Securities upon becoming eligible for sale without restriction by the holder thereof pursuant to Rule 144.

(b) The Outstanding Registrable Securities

The number of the " Outstanding Registrable Securities " means the number of Class A Shares held by the Holders which are Registrable Securities.

(c) Holder

" Holder " shall mean any Purchaser and any permitted assignee of the Registrable Securities to whom rights under this Agreement have been duly assigned in accordance with this Agreement.

(d) Form S-3

" Form S-3 " shall mean any such form under the 1933 Act being in effect on the date hereof or any successor registration form under the 1933 Act subsequently adopted by the Securities and Exchange Commission of the United States (the " Commission "). Such form permits the inclusion or incorporation of substantial information by reference to other documents filed by the Company with the Commission.

2. Demand Registration

(a) Request by Holders

Subject to Section 9 of this Agreement and after the expiration of the Lockup Period (as defined in the Agreement and Plan of Merger), if the Company shall receive a written request from the Holders possessing collectively at least fifteen percent (15%) of the Outstanding Registrable Securities that the Company file a registration statement under the 1933 Act covering the registration of the resale of the Registrable Securities

pursuant to this Section 2, then the Company shall, within ten (10) business days of the receipt of such written request, give written notice of such request (" Request Notice ") to all the Holders, and use its best efforts to effect, as soon as practicable, the registration under the 1933 Act of all Registrable Securities that the Holders request to be registered in such registration by providing written notice to the Company within twenty (20) days after receipt of the Request Notice, subject only to the limitations set forth in this Section 2.

(b) Underwriting

If the Holders initiating the registration request under this Section 2 (" Initiating Holders ") intend to distribute the Registrable Securities covered by their request by means of an underwriting, then they shall so advise the Company as a part of their request made pursuant to this Section 2 and the Company shall include such information in the written notice referred to in Clause 2(a). In such an event, the right of any Holder to include his Registrable Securities in such registration shall be conditional upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein. All the Holders proposing to distribute their Registrable Securities through such underwriting shall enter into an underwriting agreement in customary form with the managing underwriter or underwriters selected for such underwriting by the Holders of a majority of the Registrable Securities being registered and reasonably acceptable to the Company. Notwithstanding any other provision of this Section 2, if the underwriter(s) advise(s) the Company in writing that marketing factors require a limitation of the number of securities to be underwritten, then the Company shall so advise all the Holders of Registrable Securities which would otherwise be registered and underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be reduced as required by the underwriter(s) and allocated among the Holders of Registrable Securities on a pro rata basis according to the number of the Outstanding Registrable Securities held by each Holder requesting registration (including the Initiating Holders); provided, however, that in any public offering of securities, the right of the underwriter(s) to exclude shares (including Registrable Securities) from the registration and underwriting as described above shall be restricted so that all shares that are not Registrable Securities and are held by any other person, including, without limitation, any person who is an employee, officer or director of the Company (or any subsidiary of the Company) shall first be excluded from such registration and underwriting before any Registrable Securities are so excluded. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the underwriter(s), which notice shall be delivered at least ten (10) business days prior to the effective date of the registration statement. Any Registrable Securities excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration.

(c) Maximum Number of Demand Registrations; Duration of Effectiveness

The Company shall be obligated to effect only four (4) such registrations pursuant to this Section 2; provided, that a registration requested pursuant to this Section 2 shall not be deemed to have been effected for purposes of this Section 2(c) unless (i) it has been declared effective by the Commission, (ii) it has remained effective for the period set forth below and (iii) the offering of Registrable Securities pursuant to such registration is not subject to any stop order, injunction or other order or requirement of the Commission (other than any such stop order, injunction, or other requirement of the Commission prompted by act or omission of the Holders of Registrable Securities) that has not been withdrawn. The Company shall use its best efforts to keep effective any registration effected pursuant to this Section 2 until the earlier of (i) that date that all of the Registrable Securities registered thereon have been sold, (ii) the date that the Holders whose Registrable Securities are included in such registration notify the Company in writing that they will not make any further sales thereunder, and (iii) 120 days from the effective date.

(d) Deferral

Notwithstanding the foregoing, if the Company furnishes to the Holder or Holders initiating a registration request under this Section 2 a certificate signed by a director of the Company stating that in the good faith judgment of the Board, it would be materially detrimental to the Company and its shareholders for such registration statement to be filed, then the Company shall have the right to defer such filing for a period of not more than ninety (90) days after receipt of the request of the Initiating Holders; provided, however, that the Company may not utilize this right more than once in any twelve (12) month period.

(e) Expenses

All expenses incurred in connection with any registration, pursuant to this Section 2, including without limitation all federal and "blue sky" registration, filing and qualification fees, printer's and accounting fees, and fees and disbursements of counsel for the Company, shall be borne by the Company. Each Holder participating in a registration pursuant to this Section 2 shall bear such Holder's proportionate share (based on the total number of shares sold in such registration other than for the account of the Company) of all discounts, commissions or other amounts payable to underwriters or brokers, and the Holders' legal fees, in connection with such offering by the Holders. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to this Section 2 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered, unless the Holders of a majority of the Outstanding Registrable Securities agree that such registration constitutes the use by the Holders of one (1) demand registration pursuant to Section 2 (in which case such registration shall also constitute the use by all Holders of Registrable Securities of one (1) such demand registration); provided, further, however, that if at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company not known to the Holders at the time of their request for such registration and have withdrawn their request for registration with reasonable promptness after learning of such material adverse change, then the Holders shall not be required to pay any of such expenses and such registration shall not constitute the use of a demand registration pursuant to this Section 2.

3. Piggyback Registrations

Subject to Section 9 of this Agreement and after the expiration of the Lockup Period, the Company shall notify all the Holders of Registrable

Securities in writing at least thirty (30) days prior to filing any registration statement under the 1933 Act for purposes of effecting a public offering of securities of the Company (other than (i) a registration on Form S-4 or Form S-8, or any successor or other forms promulgated for similar purposes, and (ii) demand registrations pursuant to Section 2) and will afford each such Holder an opportunity to include in such registration statement all or any part of the Registrable Securities then held by such Holder. Each Holder desiring to include in any such registration statement all or any part of the Registrable Securities held by such Holder shall within twenty (20) days after receipt of the above-described notice from the Company, so notify the Company in writing, and in such notice shall inform the Company of the number of Registrable Securities such Holder wishes to include in such registration statement. If a Holder decides not to include all of its Registrable Securities in any registration statement thereafter filed by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Company with respect to offerings of its securities, all upon the terms and conditions set forth herein.

(a) Underwriting

If a registration statement under which the Company gives notice under this Section 3 is for an underwritten offering, then the Company shall so advise the Holders. In such event, the right of any such Holder's Registrable Securities to be included in a registration pursuant to this Section 3 shall be conditional upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All the Holders proposing to distribute their Registrable Securities through such underwriting shall enter into an underwriting agreement in customary form with the managing underwriter or underwriters selected for such underwriting. Notwithstanding any other provision of this Agreement, if the managing underwriter(s) determine(s) in good faith that marketing factors require a limitation of the number of shares to be underwritten, then the managing underwriter(s) may exclude shares from the registration and the underwriting, and the number of shares that may be included in the registration and the underwriting shall be allocated, first to the Company, and second, to each of the Holders requesting inclusion of their Registrable Securities in such registration statement on a pro rata basis based on the total number of Registrable Securities then held by each such Holder; provided, however, that the right of the underwriter(s) to exclude shares (including Registrable Securities) from the registration and underwriting as described above shall be restricted so that all shares that are not Registrable Securities and are held by any other person, excluding the Company but including, without limitation, any person who is an employee, officer or director of the Company (or any subsidiary of the Company) shall first be excluded from such registration and underwriting before any Registrable Securities are so excluded. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the underwriter(s), delivered at least ten (10) business days prior to the effective date of the registration statement. Any Registrable Securities excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration.

(b) Expenses

All expenses incurred in connection with a registration pursuant to this Section 3 (excluding underwriters' and brokers' discounts and commissions relating to shares sold by the Holders and legal-fees of counsel for the Holders), including, without limitation all federal and "blue sky" registration, filing and qualification fees, printer's and accounting fees, and fees and disbursements of counsel for the Company, shall be borne by the Company.

(c) Not Demand Registration

Registration pursuant to this Section 3 shall not be deemed to be a demand registration as described in Section 2 above. Except as otherwise provided herein, there shall be no limit on the number of times the Holders may request registration of Registrable Securities under this Section 3.

4. Form S-3 Registration

4.1 Subject to Section 9 of this Agreement, in case the Company shall, at any time when it is eligible to use Form S-3 after the expiration of the Lockup Period, receive from the Holder(s) of a majority of all the Outstanding Registrable Securities a written request or requests that the Company effect a registration on Form S-3 and any related qualification or compliance with respect to the resale of all or a part of the Registrable Securities owned by such Holder or Holders, then the Company will:

(a) Notice

promptly give written notice of the proposed registration and the Holder's or Holders' request therefor, and any related qualification or compliance, to all other Holders of Registrable Securities;

(b) Registration

as soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holders or Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within twenty (20) days after the Company provides the notice contemplated by paragraph (a) of this Section 4.1; and

(c) Maximum Number of Form S-3 Registrations; Duration of Effectiveness

be obligated to effect (i) only one (1) such registration in any calendar year pursuant to this Section 4, and (ii) no such registration with respect to any Registrable Securities while any other such registration with respect to such Registrable Securities pursuant to this Section 4 remains effective. The Company shall use its best efforts to keep the Form S-3 continuously effective until the date on which all Registrable Securities covered by the Form S-3 have been sold thereunder in accordance with the plan and method of distribution disclosed in the prospectus included in the Form S-3 or any amendment or supplement thereto, or cease to constitute Registrable Securities.

4.2 Expenses

The Company shall pay all expenses incurred in connection with each registration requested pursuant to this Section 4 (excluding underwriters' or brokers' discounts and commissions relating to shares sold by the Holders and legal fees of counsel for the Holders), including without limitation federal and "blue sky" registration, filing and qualification fees, printer's and accounting fees, and fees and disbursements of counsel for the Company.

4.3 Deferral

Notwithstanding the foregoing, if the Holder or Holders of a majority of all the Outstanding Registrable Securities request the filing of a registration statement pursuant to this Section 4 and the Company furnishes to such Holder or Holders a certificate signed by a director of the Company stating that in the good faith judgment of the Board, it would be materially detrimental to the Company and its shareholders for such registration statement to be filed, then the Company shall have the right to defer such filing for a period of not more than ninety (90) days after receipt of the request of the initiating Holders; provided, however, that the Company may not utilize this right more than once in any twelve (12) month period.

4.4 Not Demand Registration

Form S-3 registrations pursuant to this Section 4 shall not be deemed to be demand registrations as described in Section 2 above. Except as otherwise provided herein, there shall be no limit on the number of times the Holder or Holders may request registration of Registrable Securities under this Section 4.

5. Obligations of the Company

Whenever required to effect the registration of any Registrable Securities under this Agreement, the Company shall, as expeditiously as reasonably practicable:

(a) Registration Statement

prepare and file with the Commission a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective;

(b) Amendments and Supplements

prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the 1933 Act with respect to the disposition of all securities covered by such registration statement;

(c) Prospectuses

furnish to the Holders such number of conformed copies of the applicable registration statement and each such amendment and supplement thereto (including in each case all exhibits), and copies of a prospectus, including a preliminary prospectus, if applicable, in conformity with the requirements of the 1933 Act, and such other documents as they may reasonably request in order to facilitate the disposition of the Registrable Securities owned by them that are included in such registration;

(d) Blue Sky

use its best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions;

(e) Underwriting

in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement in usual and customary form, with the managing underwriter(s) of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement;

(f) Notification

notify each Holder of Registrable Securities covered by such registration statement at any time (i) when a prospectus relating thereto is required to be delivered under the 1933 Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, (ii) of the issuance by the Commission of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that purpose, (iii) of the receipt by the Company or its legal counsel of any notification with respect to the suspension of the qualification of the Class A Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, and (iv) of any request by the Commission for amendments or supplements to such Registration Statement or the prospectus included therein or for additional information;

(g) Post-Effective Amendments

upon the occurrence of any event contemplated by Section 5(f)(i) above, promptly prepare a post-effective amendment to such registration statement or a supplement to the related prospectus or file any other required document so that, as thereafter delivered to the Holders, the prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holders in accordance with Section 5(f)(i) above to suspend the use of the prospectus until the requisite changes to the prospectus have been made, then the Holders shall suspend use of such prospectus and use their reasonable efforts to return to the Company all copies of such prospectus (at the Company's expense) other than permanent file copies then in such Holder's possession, and the period of effectiveness of such registration statement provided for above shall be extended by the number of days from and including the date of the giving of such notice to the date Holders shall have received such amended or supplemented prospectus pursuant to this Section 5(g);

(h) Opinion and Comfort Letter

furnish, at the request of any Holder requesting registration of Registrable Securities, on the date that such Registrable Securities are delivered to the underwriters for sale, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated as of such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering and reasonably satisfactory to a majority in interest of the Holders requesting registration, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities and (ii) a "comfort" letter dated as of such date, from the independent auditors of the Company, in form and substance as is customarily given by independent auditors to underwriters in an underwritten public offering and reasonably satisfactory to a majority in interest of the Holders requesting registration, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities;

(i) Compliance with Securities Law

otherwise use its reasonable efforts to comply with all applicable rules and regulations of the Commission, and make earnings statements satisfying the provisions of Section 11(a) of the 1933 Act generally available to the Holders no later than 45 days after the end of any twelve-month period (or 90 days, if such period is a fiscal year) (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in an underwritten public offering, or (ii) if not sold to underwriters in such an offering, beginning with the first month of the Company's first fiscal quarter commencing after the effective date of the registration statement, which statements shall cover said twelve-month periods; provided, however, that the filing with the Commission of periodic reports on Form 10-K and Form 10-Q (including reports filed in compliance with the time extensions permitted by Rule 12b-25 promulgated under the 1933 Act) shall satisfy the requirements of this Section 5(i).

(j) Listing Applications

use its reasonable efforts to cause all such Registrable Securities to be listed on each securities exchange or quotation system on which similar securities issued by the Company are listed or traded;

(k) Company Disclosure

make reasonably available for inspection by the representatives of the Holders, any underwriter participating in any disposition pursuant to such Registration Statement and any attorney, accountant or other agent retained by such representatives or any such underwriter all relevant financial and other records, pertinent corporate documents and properties of the Company and cause the Company's officers, directors and employees to supply all relevant information reasonably requested by such representative or any such underwriter, attorney, accountant or agent in connection with the registration; and

(l) Transfer Agent

use reasonable efforts to procure the cooperation of the Company's transfer agent in settling any offering or sale of Registrable Securities, including with respect to the transfer of physical stock certificates into book-entry form in accordance with any procedures reasonably requested by the Holders or the underwriters.

6. Furnish Information

It shall be a condition precedent to the obligations of the Company to take any action pursuant to Sections 2, 3 or 4 that the selling Holder or Holders shall furnish to the Company such information regarding themselves, the Registrable Securities held by them, other Company securities held by them, and the intended method of disposition of such Registrable Securities as shall be required to timely effect the registration of their Registrable Securities.

7. Indemnification

In the event any Registrable Securities are included in a registration statement under Section 2, 3 or 4:

(a) By the Company

To the extent permitted by law the Company will indemnify and hold harmless each Holder, the partners, officers and directors of each Holder, any underwriter (as determined in the 1933 Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the 1933 Act or the Securities Exchange Act of 1934, as amended (the "1934 Act"), against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the 1933 Act, the 1934 Act or other federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or

violations (collectively a " Violation "):

(i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto;

(ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or

(iii) any violation or alleged violation by the Company of the 1933 Act, the 1934 Act, any federal or state securities law or any rule or regulation promulgated under the 1933 Act, the 1934 Act or any federal or state securities law in connection with the offering covered by such registration statement;

and the Company will reimburse each such Holder, partner, officer or director, underwriter or controlling person for any out of pocket legal (such legal expenses not to exceed $25,000) or other expenses reasonably incurred by them, as incurred, in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in paragraph 7(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by such Holder, partner, officer, director, underwriter or controlling person of such Holder or underwriter; and provided, further, that the Company shall only be obligated to reimburse legal expenses for one counsel for all Holders.

(b) By Selling Holders

To the extent permitted by law, each selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers who have signed the registration statement, each person, if any, who controls the Company within the meaning of the 1933 Act, any underwriter and any other Holder selling securities under such registration statement or any of such other Holder's partners, directors or officers or any person who controls such Holder within the meaning of the 1933 Act or the 1934 Act, against any losses, claims, damages or liabilities (joint or several) to which the Company or any such director, officer, controlling person, underwriter or other such Holder, partner or director, officer or controlling person of such other Holder may become subject under the 1933 Act, the 1934 Act or other federal or state law, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration; and each such Holder will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer, controlling person, underwriter or other Holder, partner, officer, director or controlling person of such other Holder in connection with investigating or defending any such loss, claim, damage, liability or action: provided, however, that the indemnity agreement contained in this paragraph 7(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided, further, that the total amounts payable in indemnity by a Holder under this paragraph 7(b) in respect of any Violation shall not exceed the net proceeds received by such Holder in the registered offering out of which such Violation arises.

(c) Contribution

If the indemnification provided for in this Section 7 from the indemnifying party is unavailable to an indemnified party hereunder in respect of any losses, claims, damages, liabilities or expenses referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and indemnified parties in connection with the actions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified parties shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been made by, or relates to information supplied by, such indemnifying party or indemnified parties, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action. The amount paid or payable by a party as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any investigation or proceeding.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 7(c) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. No Person (as defined in the 1934 Act) guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(d) Notice

Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 7, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party shall have the right to retain its own counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential conflict of interests between such indemnified party and any other party represented by

such counsel in such proceeding; provided, however, that if the Company is the indemnifying party, it shall only be obligated to pay for legal expenses for one counsel for all Holders. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of liability to the indemnified party under this Section 7 to the extent the indemnifying party is prejudiced as a result thereof, but the omission so to deliver written notice to the indemnified party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 7.

(e) Survival

The obligations of the Company and the Holders under this Section 7 shall survive until the fifth anniversary of the completion of any offering of Registrable Securities in a registration statement, regardless of the expiration of any statutes of limitation or extensions of such statutes.

8. No Registration Rights to Third Parties

Without the prior written consent of the Holders of a majority in interest of the Outstanding Registrable Securities, the Company covenants and agrees that it shall not grant, or cause or permit to be created, for the benefit of any person or entity any registration rights of any kind (whether similar to the demand, "piggyback" or Form S-3 registration rights described in this Agreement, or otherwise) relating to shares or any other voting securities of the Company, other than rights that are subordinate in right to the Holders; provided, that (x) such consent shall not be unreasonably withheld, conditioned or delayed and (y) if Bison Entertainment Investment Limited consents to any such registration rights, the Holders shall be deemed to have given their consent under this Section 8, without further action on the part of such Holders.

9. Assignment

The registration rights under this Agreement may be assigned by any Holder:

(a) only to a Related Transferee; and

(b) such Related Transferee shall have executed a written agreement pursuant to which such person becomes a party to this Agreement and agrees to be bound by all the provisions hereof.

10. Reports Under the 1934 Act

With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the Commission that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

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

(b) file with the Commission in a timely manner all reports and other documents required of the Company under the 1934 Act; and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the current public information requirements of Rule 144, and the reporting requirements of Sections 13 and 15(d) of the 1934 Act, or that it qualifies as a registrant whose securities may be resold by holder(s) thereof pursuant to Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested to avail any Holder of any rule or regulation of the Commission that permits the selling of any such securities without registration or pursuant to such form.

11. Termination of the Company's Obligations

The Company shall have no obligations pursuant to Sections 2, 3 and 4 with respect to any Registrable Securities proposed to be sold by a Holder in a registration pursuant to Section 2, 3 or 4 at the earlier of the date at which such Holder (A) can sell all Registrable Securities held by it in compliance with Rule 144 or (B) holds one percent (1%) or less of the Company's outstanding Class A Shares and all Registrable Securities held by such Holder (together with any affiliate of the Holder with whom such Holder must aggregate its sales under Rule 144) can be sold in accordance with Rule 144 in any three (3) month period without registration in compliance with Rule 144. In addition, the Company shall have no obligations pursuant to Sections 2 and 4 hereof from and after such time as the Holders in the aggregate beneficially own, directly or indirectly, less than fifteen percent (15%) in number of the Purchased Shares.

12. Term and Amendment

(a) Term

This Agreement shall become effective immediately at the Closing, and will terminate upon the earlier of (i) the written consent of the Holders of a majority of the Registrable Securities then outstanding and entitled to the registration rights set forth in this Agreement or (ii) the termination of the Company's obligations hereunder pursuant to Section 11 hereof.

(b) Amendment

Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Company and the Holders of a majority of the Registrable Securities then outstanding and entitled to the registration rights set forth in this Agreement. Any amendment or waiver effected in accordance with this Section 12 shall be binding upon all parties hereto including any Holder who become a Holder in connection with an assignment after the date hereof.

13. Severability

If at any time any one or more provisions hereof is or becomes invalid, illegal, unenforceable or incapable of performance in any respect, the validity, legality, enforceability or performance of the remaining provisions hereof shall not thereby in any way be affected or impaired, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

14. Entire Agreement

This Agreement constitutes the entire agreement and understanding between the parties in connection with the subject matter of this Agreement and supersedes all previous proposals, representations, warranties, agreements or undertakings relating thereto whether oral, written or otherwise and no party hereto has relied or is entitled to rely on any such proposals, representations, warranties, agreements or undertakings.

15. Specific Performance.

The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

16. Counterparts

This Agreement may be executed in any number of counterparts and by the parties on separate counterparts, each of which may be electronically transmitted and, when so executed and delivered, shall be an original but all the counterparts shall together constitute one and the same instrument.

17. Notices and Other Communication

Any notice or other communication to be given under this Agreement shall be in writing and may be sent by post or delivered by hand or given by facsimile, electronic mail or by courier to the address from time to time designated, the initial address and fax number so designated by each party being set out in Schedule 2 attached hereto. Any such notice or communication shall be sent to the party to whom it is addressed and must contain sufficient reference and/or particulars to render it readily identifiable with the subject-matter of this Agreement. If so delivered by email, hand or given by facsimile such notice or communication shall be deemed received on the date of dispatch and if so sent by post shall be deemed received three (3) business days after the date of dispatch (in the case of local mail) and five (5) business days after the date of dispatch (in the case of overseas registered/certified mail).

Each person making a communication hereunder by facsimile shall promptly confirm by telephone to the person to whom such communication was addressed, but the absence of such confirmation shall not affect the validity of any such communication.

18. Governing Law and Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of State of New York without giving effect to any rule or principle that would result in the application of the laws of any other jurisdiction and the parties irrevocably submit to the nonexclusive jurisdiction of the New York courts in respect of this Agreement.

19. Recapitalization, Exchanges, Etc. Affecting the Shares

The provisions of this Agreement shall apply to the full extent set forth herein with respect to any and all shares of the Company or any successor or assign of the Company (whether by merger, consolidation, sale of assets or otherwise) that may be issued in respect of, in exchange for or in substitution of, the Registrable Securities, and shall be appropriately adjusted for combinations, share splits, recapitalizations, pro rata distributions of shares and the like occurring after the date of this Agreement.

20. Aggregation of Shares

All Registrable Securities held or acquired by any person that controls, is controlled by or is under common control with any Purchaser shall be aggregated together with respect to such Purchaser for the purpose of determining the availability of any rights under this Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first above written.

COMPANY

CINEDIGM CORP.

By: ____

Name:
Title

PURCHASER

_____
Alok Ranjan

PURCHASER

Vikrant Mathur

SCHEDULE 1
PURCHASERS

SCHEDULE 2

ADDRESSES AND FAX NUMBERS FOR NOTIFICATION

4833-2750-8873, v. 9

4824-5587-7513v.11

DESCRIPTION OF SECURITIES

Authorized and Outstanding Capital Stock

The following description of our common stock and provisions of our certificate of incorporation and bylaws are summaries and are qualified by reference to our certificate of incorporation and bylaws, which have been incorporated by reference as exhibits to the Annual Report on Form 10-K to which this Description of Securities is an exhibit.

Our authorized capital stock consists of 60,000,000 shares of Class A common stock, par value $0.001 per share, and 15,000,000 shares of preferred stock, par value $0.001 per share, of which 20 shares are authorized as Series A 10% Non-Voting Cumulative Preferred Stock (the "Series A Preferred Stock").

As of March 31, 2019, there were 35,678,597 shares of Class A common stock outstanding, and 7 shares of Series A Preferred Stock were outstanding.

Description of Common Stock

Voting Rights . Holders of Class A common stock are entitled to one vote per share on all matters submitted to a vote of our stockholders.

Holders of a majority of our outstanding shares of Class A common stock present or represented by proxy at any meeting of our stockholders constitute a quorum.

Dividends; Liquidation; Preemptive Rights . Holders of Class A common stock are entitled to receive dividends only if, as and when declared by our board of directors out of funds legally available for that purpose. In the event of our liquidation, dissolution or winding-up, holders of Class A common stock are entitled, subject to any priorities due to any holders of our preferred stock, ratably to share in all assets remaining after payment of our liabilities. Holders of Class A common stock have no preemptive rights nor any other rights to subscribe for shares or securities convertible into or exchangeable for shares of Class A common stock.

Our Class A common stock is traded on Nasdaq under the symbol "CIDM".

Description of Warrants

The following table presents information on outstanding warrants to purchase shares of our Class A common stock as of March 31, 2019. All of the outstanding warrants are fully vested and exercisable.

	Amount Outstanding	Expiration	Exercise Price Per Share
Warrants issued to a strategic management service provider	35,000 17,500	July 2021 July 2021	$17.30 $30.00
Warrants issued in connection with second lien loans	100,000 106,768	July 2023 July 2023	$1.34 $.157
Warrants issued in connection with exchanges of convertible notes	207,679	December 2021	$1.54
Warrants issued in connection with a term loan agreement	1,400,000	December 2022	$1.80

All of such warrants provide for adjustment upon a stock split, stock dividend, or stock reclassification. The warrants expiring in July 2023 and December 2021 provide for customary anti-dilution rights.

Preferred Stock

Our Board of Directors is authorized, subject to any limitations prescribed by law, without further stockholder approval, to issue from time to time up to an aggregate of 15,000,000 shares of our preferred stock, in one or more series. The Series A Preferred Stock may be redeemed by the Company at any time after the second anniversary of the date such shares were issued in cash or, at the Company's option if certain conditions are met, in shares of Class A common stock. The holders of Series A Preferred Stock are entitled to receive cumulative dividends from the date of issuance at an annual rate of 10% of the original issue price. Such dividends shall be payable in arrears in cash or, at the Company's option, in shares of Class A common stock if certain conditions are met, quarterly on the last day of each calendar quarter, until such shares of Preferred Stock are redeemed.

Each other series of preferred stock to be issued, if any, will have such number of shares, designations, preferences, powers and qualifications and special or relative rights or privileges as will be determined by our board of directors, which may include, among others, dividend rights, voting rights, redemption and sinking fund provisions, liquidation preferences, conversion rights and preemptive rights. The rights of the holders of our common stock will be subject to the rights of holders of any preferred stock outstanding and issued in the future. The issuance of preferred stock, while providing desirable flexibility in connection with the possible acquisitions and other corporate purposes, could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from acquiring, a majority of our outstanding voting stock.

Anti-Takeover Effects of Delaware Law; Our Certificate of Incorporation and Our Bylaws

Delaware law, our certificate of incorporation and our bylaws contain provisions that could have the effect of delaying, deferring or discouraging another party from acquiring control of us. These provisions, which are summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our Board.

No Cumulative Voting. Under Delaware law, the right to vote cumulatively does not exist unless the certificate of incorporation specifically authorizes cumulative voting. Our Fifth Amended and Restated Certificate of Incorporation does not grant shareholders the right to vote cumulatively.

Blank Check Preferred Stock . We believe that the availability of the preferred stock under our Fifth Amended and Restated Certificate of Incorporation provides us with flexibility in addressing corporate issues that may arise. Having these authorized shares available for issuance will allow us to issue shares of preferred stock without the expense and delay of a special stockholders' meeting. The authorized shares of preferred stock, as well as shares of Class A common stock, will be available for issuance without further action by our stockholders, with the exception of any actions required by applicable law or the rules of any stock exchange on which our securities may be listed. Our Board of Directors will have the power, subject to applicable law, to issue classes or series of preferred stock that could, depending on the terms of the class or series, impede the completion of a merger, tender offer or other takeover attempt.

Stockholder Action by Written Consent . Our Fifth Amended and Restated Certificate of Incorporation provides that any action required or permitted to be taken at any annual or special meeting of our stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, are signed by the holders of outstanding capital stock of having not less than the minimum number of votes necessary to authorize such action at a meeting at which all shares of capital stock entitled to vote thereon were present and voted.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of the 15 th day of September 2018 by and between Cinedigm Corp., a Delaware Corporation, 45 West 36 th Street, 7 th floor, New York, New York 10018 (the "Company"), and Erick Opeka, having an address at 2310 Fernleaf St., Los Angeles, California 90031 (the "Employee").

WITNESSETH:

WHEREAS , the Company desires to employ the Employee and the Employee desires to be employed by the Company as President Networks upon the terms and conditions set forth below;

NOW, THEREFORE , in consideration of the mutual covenants and agreements set forth herein, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **Employment .** (a) The Company agrees to employ the Employee, and the Employee agrees to be employed by the Company, under the terms of this Agreement, for the period stated in Section 3 hereof and upon the other terms and conditions herein provided.

(a) The Employee affirms and represents that, other than as provided herein, he is under no obligation to any party that is in any way inconsistent with, or that imposes material restrictions upon, the Employee's employment by the Company or the Employee's responsibilities or undertakings under this Agreement.

2. **Position and Responsibilities .** The Employee shall serve as President Networks of the Company. The Employee's principal place of employment will be located in Los Angeles, California. The Employee shall be responsible for such duties as are commensurate with his office and shall report to the Chief Executive Officer of the Company ("CEO") except as directed by the CEO to report to the President of Cinedigm Entertainment Corp., either and both of whom shall have the power to expand the Employee's duties, responsibilities and authority beyond those commensurate with his office (only in a temporary or immaterial manner unless the Employee consents to such expansion) and, when considered necessary or in the best interests of the Company, the CEO may override the Employee's decisions and actions. Except as otherwise provided herein, the Employee will devote his substantial full business time throughout the Term (defined below) to the services required of him hereunder. The Employee will render his business services to the Company and its affiliates during the Term and will use his best efforts, judgment and energy to improve and advance the operations, programs, services and interests of the Company in a manner consistent with the duties of his position. Notwithstanding the foregoing, as long as it does not materially interfere or materially conflict with the Employee's employment hereunder, the Employee may participate in professional, educational, welfare, social, religious and civic organizations.

3. **Term .**

The term of this Agreement shall commence on September 15, 2018 (the "Effective Date") and terminate on September 15, 2021 (the "Term"). The parties agree to provide written notice to each other no later than six (6) months before the expiration of the Term regarding whether or not each would like to negotiate a renewal of this Agreement. Upon the expiration of the Term, this Agreement, except for the provisions that survive pursuant to this Section 3 and Section 8, will have no further force or effect.

In the event Employee remains employed by the Company after the Term expires and the parties have not executed a successor written agreement, the Employee's employment will be at-will. In such event, the Employee, for the duration of his at-will employment, will be entitled to receive the Base Salary and participate in the bonus and benefit programs in effect at the expiration of the Term.

4. **Compensation, Reimbursement of Expenses** .

(a) **Salary .** For all services rendered by the Employee in any capacity during his employment under this Agreement, including, without limitation, service as an executive, officer, director, manager or member of any committee of the Company or of any subsidiary, affiliate, or division thereof, the Company shall pay the Employee, in accordance with the Company's normal payroll practices, a salary ("Base Salary") at the rate of $325,000 per year commencing with the Effective Date, subject to annual reviews and increase for subsequent years in the sole discretion of the Compensation Committee of the board of directors (the "Board") of the Company (the "Committee").

(b) **Bonus** . The Employee shall participate in the Company's Management Annual Incentive Plan or any amended or successor plan thereto ("MAIP"). For each of the fiscal years ending March 31, 2019, March 31, 2020 and March 31, 2021, the target bonus shall be thirty-five percent (35%) of his Base Salary (the "Target Bonus"). The Employee's bonuses shall be based on Company performance with goals to be established annually by the Committee and shall be subject to adjustment at the sole discretion of the Committee. Bonuses shall be paid at the same time bonuses are paid to other executives of the Company, which payment shall be made during the calendar year that includes the close of such fiscal year, but no later than August 31 st following the fiscal year for which the bonus is earned, and shall be subject to the terms of the MAIP.

(c) **Reimbursement of Expenses .** In accordance with Company policies then in effect, the Company shall pay directly, or reimburse the Employee for, reasonable travel, entertainment and other business-related expenses incurred by the Employee in the performance of his duties under this Agreement

(d) **Long-Term Incentive Awards** . The Employee shall receive an award of 355,000 stock appreciation rights ("SARs") pursuant to

the Company's 2017 Equity Incentive Plan ("EIP") upon mutual execution of this Agreement. The SARs will have an exercise/strike price equal to the fair market value of the date of the grant. One-third of the SARs will vest on the last day of each of the 2019, 2020, and 2021 fiscal y ears. SARs may be settled by the Company in cash or shares at the sole and absolute discretion of the Compensation Committee, which may consider, among other factors, the availability of shares under the EIP. Other SAR features such as length of term, and termination provisions shall be consistent with prior option grants, subject to the sole and absolute discretion of the Compensation Committee. The award described in this paragraph will be subject to the specific terms of separate Notices of Award that will be provided to the Employee.

5. **Participation in Benefit Plans .** Employee will be eligible to participate in all benefit plans and programs that the Company provides to senior executives in line with the Company's current practices, including medical, dental, vision, disability, life insurance and paid time off plans, all in accordance with the terms and conditions of such benefit plans and programs as may be modified by the Company in its sole discretion or as required by law from time to time.

6. **Termination.**

(a) The Company shall have the right to terminate this Agreement and the Employee's employment prior to the expiration of the Term for Cause (as defined below). The Employee has the right to resign and terminate this Agreement at any time without "Good Reason" (as defined below) upon thirty (30) days' written notice, which notice period may be waived at the discretion of the Company. The Company shall have no obligations to the Employee for any period subsequent to the effective date of any termination of this Agreement pursuant to this Section 6(a), except any and all obligations provided by applicable law and the payment of Base Salary (pursuant to Section 4(a)) up to and including the termination date, bonus earned and approved by the Committee (pursuant to Section 4(b)), reimbursement of expenses incurred prior to the termination date (pursuant to Section 4(c)), and benefits accrued prior to the termination date (pursuant to Section 5).

(b) The Company shall also have the right to terminate this Agreement and the Employee's employment prior to the expiration of the Term other than for Cause upon thirty (30) days' notice and the Employee has the right to resign and terminate this Agreement at any time for Good Reason (each such termination shall not include a termination of employee's employment with the Company due to the Employee's death or Disability). In the event that, prior to the expiration of the Term, the Company terminates this Agreement and the Employee's employment for reason(s) other than Cause hereof (and other than due to the Employee's death or Disability) or if the Employee resigns for Good Reason, the Employee shall be entitled to receive the following:

(i) the amounts payable under Section 6(a); and

(ii) the Base Salary for the twelve (12) month period following termination of employment (the "Severance Period"), subject to Sections 6(f) and 12 (d)(iii) below, to be paid in equal monthly installments, as of the first day of each month following the date of termination; provided that the first of such payments shall be made in the month following sixty (60) days after such termination; provided that the first of such payments would include any amounts that would have been payable absent the 60-day delay in commencement date, and such payments shall continue for the duration of the Term or such twelve-month period, as applicable; and provided further that the Company may elect in its sole discretion to pay any amounts due under this Section 6(b)(ii) as a one-time, lump-sum amount, less applicable statutory deductions and authorized withholdings, in the month following sixty (60) days after such termination. The Company shall be entitled to reduce the amounts paid under this Section 6(b) by the amounts paid to the Employee in the same period by any other entity that employs the Employee after the Employee's termination date with the Company.

(c) If, prior to the expiration of the Term, the Company terminates this Agreement and the Employee's employment for any reason other than for Cause (and other than due to the Employee's death or Disability), or if the Employee resigns for Good Reason, in each event within two years after a Change in Control (as defined in the EIP, provided that such Change in Control is a change in control event within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations issued thereunder ("Section 409A")), the Employee shall be entitled to receive the following in lieu of the amount payable under Section 6(b):

(i) the amounts payable under Section 6(a); and

(ii) a lump sum payment equal to the sum of his then Base Salary and Target Bonus amount multiplied by two, subject to Sections 6(f) and 12(d)(iii) below, payable as soon as practicable following the date on which the termination occurs, but in no event later than sixty (60) days following the date of such termination and the Employee will not have the right to designate the taxable year of the payment; provided however that such payment shall be limited to an amount which would not, when considered with other compensation payable to the Employee in connection with a Change in Control, result in an "excess parachute payment" as that term is defined in Code section 280G, as determined in the sole good faith discretion of the Company.

(d) For purposes of this Agreement, "Cause" means any of the following: (i) the Employee's conviction of or plea of nolo contendere to a felony or other crime involving moral turpitude, (ii) the Employee's material breach of a material provision of this Agreement that is not corrected within thirty (30) days following written notice of such breach sent by the Company to the Employee, (iii) the Employee's willful misconduct in the performance of his material duties under this Agreement, (iv) the Employee's performance of his material duties in a manner that is grossly negligent, and (v) the Employee's failure to attempt to fully comply with any lawful directive of the Chief Executive Officer of the Company which is not corrected within thirty (30) days following written notice of such breach sent by the Company to the Employee. Whether or not "Cause" exists shall be determined solely by the Company in its reasonable, good faith discretion.

(e) For purposes of this Agreement, "Good Reason" means, without the Employee's written consent, (i) a material and substantially adverse reduction in title or job responsibilities compared with title or job responsibilities on the Effective Date; (ii) any requirement that the Employee relocate to a work location more than 50 miles from city of Los Angeles, California; or (iii) any material breach of the Agreement by the Company. Notwithstanding the foregoing, Good Reason will be deemed to exist only in the event that: (x) the Employee gives written notice to the

Company of his claim of Good Reason and the specific grounds for his claim within ninety (90) days following the occurrence of the event upon which his claim rests, (y) the Company fails to cure such breach within thirty days (30) of receiving such notice ("Cure Period"), and (z) the Employee gives written notice to the Company to terminate his employment within fifteen (15) days following the Cure Period.

(f) Notwithstanding any other provision of this Agreement to the contrary, the Employee shall not be entitled to any payments under Section 6(b) or 6(c), and the Company shall not be obligated to make such payments, unless (i) the Employee materially complies with the restrictive covenants by which he is bound (whether pursuant to this Agreement or otherwise), including, but not limited to, any non-competition agreement, non-solicitation agreement, confidentiality agreement or invention assignment agreement signed by the Employee, and (ii) the Employee executes, delivers and does not revoke a commercially reasonable general release in form and substance acceptable to both the Company and Employee no later than sixty (60) days following the effective date of termination of employment. To the extent the Company makes any such payment to the Employee prior to the execution and delivery or a permissible revocation of the release described in clause (ii) and the Employee fails to execute or deliver the release or otherwise revokes the release, then the Employee will be obligated to repay to the Company the full amount of any such payment under Section 6(b) or 6(c), as applicable, theretofore made to the Employee within ninety (90) days following the termination of the Employee's employment.

7. **Death or Disability** . Notwithstanding anything in Section 6 to the contrary, upon the death or Disability (as defined below) of the Employee prior to the end of the Term, this Agreement shall terminate and no further payments shall be made other than those provided for by law and the payment of Base Salary (pursuant to Section 4(a)) up to and including the termination date, bonus earned and approved by the Committee (pursuant to Section 4(b)), reimbursement of expenses incurred prior to such termination (pursuant to Section 4(c)), and benefits (pursuant to Section 5) accrued prior to the date of such death or Disability but not yet paid. For purposes of this Agreement, Disability shall mean any physical or mental incapacity that is documented by qualified medical experts and that results in the Employee's inability to perform his essential material duties and responsibilities for the Company, with reasonable accommodation, for a period of ninety (90) days in any consecutive twelve (12) month period, all as determined in the good faith judgment of the Board.

8. **Restrictive Covenants .** The Employee hereby covenants, agrees and acknowledges as follows:

(a) **Confidential Information.** In the course of his employment by the Company, the Employee will receive and/or be in possession of confidential information of the Company, its subsidiaries, affiliates and divisions and the predecessors and successors of any of them, including, but not limited to, information relating to: (i) suppliers, vendors, independent contractors, brokers, partners, employees, entities, patrons or customers, trade secrets, formulas, inventions, patterns, compilations, contracts, business plans and practices, marketing plans and practices, financial plans and practices, programs, devices, methods, know-hows, techniques or processes, operational procedures, financial statements or other financial information, contract proposals, business plans, training and operations methods and manuals, personnel records, and management systems policies or procedures; (ii) information pertaining to future plans and developments; and (iii) other tangible and intangible property that is used in the operations of the Company but not made public. The information and trade secrets relating to the business of the Company described in this Section 8(a) are hereinafter referred to collectively as the "Confidential Information," provided that the term Confidential Information will not include any information: (x) that is or becomes generally publicly available (other than as a result of violation of this Agreement by the Employee or someone under his control or direction or (y) that the Employee receives on a non-confidential basis from a source (other than the Company or its representatives) that is not known by him to be bound by an obligation of secrecy or confidentiality to the Company. References in this Section 8 to the "Company" shall include the Company, its subsidiaries, affiliates and divisions and the predecessors and successors of any of them.

(b) **Non-Disclosure.** The Employee agrees that he will not, without the prior written consent of the Company, during the period of his employment or at any time thereafter, disclose or make use of any such Confidential Information, except as may be required by law (and, in such case, he will immediately notify the Company of such disclosure request) or in the course of his employment hereunder. The Employee agrees that all tangible materials containing Confidential Information, whether created by the Employee or others, that comes into his custody or possession during his employment, will be and are the exclusive property of the Company.

(c) **Return of Confidential Information and Property.** Upon termination of the Employee's employment for any reason whatsoever, he will immediately surrender to the Company all Confidential Information and property of the Company in his possession, custody or control in whatever form maintained (including, without limitation, computer discs and other electronic media), including all copies thereof. The Employee shall be allowed to make and keep a copy of all personal information, including, but not limited to, personal information contained in his contacts directory. Any Confidential Information that cannot be returned or destroyed shall be kept confidential by the Employee at all times.

(d) **Non-Competition.** The Employee agrees that, while employed by the Company and for one year after the cessation of his employment with the Company for any reason other than expiration of the Term or a termination pursuant to Section 6(b) or 6(c), he will not become employed by or otherwise engage in or carry on, whether directly or indirectly as a principal, agent, consultant, partner or otherwise, any business with any person, partnership, business, corporation, company or other entity (or any affiliate, subsidiary, parent or division thereof) that is in direct competition with the Company.

(e) **Non-Solicitation/No-Hiring.** The Employee agrees that, while employed by the Company and for one year after the cessation of his employment with the Company for any reason, he will not (i) solicit or induce or attempt to solicit or induce any employee, director or consultant to terminate his or her employment or other engagement with the Company or (ii) employ or retain (or in any way assist, participate in or arrange for the employment or retention of) any person who is employed or retained by the Company or any of its parents, subsidiaries, affiliates and divisions or who was employed or retained by the Company or any of its parents, subsidiaries, affiliates and divisions both within the six (6) month period immediately preceding the Employee's contemplated employment or retention of such person and on the date the Employee's employment with the Company ended.

(f) **Injunctive Relief and Other Remedies.** The Employee acknowledges that the foregoing confidentiality, non-competition and non-solicitation/no-hiring provisions are reasonable and necessary for the protection of the Company and its parent, subsidiaries, affiliates and divisions, and that they will be materially and irrevocably damaged if these provisions are not specifically enforced. Accordingly, the Employee agrees

that, in addition to any other relief or remedies available to the Company and its parent, subsidiaries, affiliates and divisions, the Company will be entitled to seek an appropriate injunctive or other equitable remedy for the purposes of restraining Employee from any actual or threatened breach of those provisions, and no bond or security will be required in connection therewith. If any of the foregoing confidentiality, non-competition and no-solicitation/no-hiring provisions are deemed invalid or unenforceable, these provisions will be deemed modified and limited to the extent necessary to make them valid and enforceable.

9. **Tax Withholding .** The Company shall withhold from any compensation and benefits payable under this Agreement all federal, state, local or other taxes as shall be required pursuant to any law or governmental regulation or ruling.

10. **Entire Agreement .** This Agreement contains the entire understanding between the parties hereto and supersedes any other prior employment agreement between the Company or any predecessor of the Company and the Employee.

11. **Notices** . All notices that are required or may be given pursuant to the terms of this Agreement will be in writing and will be sufficient in all respects if given in writing and (i) delivered personally, (ii) mailed by certified or registered mail, return receipt requested and postage prepaid, or (iii) sent via a responsible overnight courier, to the parties at their respective addresses set forth above, or to such other address or addresses as either party will have designated in writing to the other party hereto. The date of the giving of such notices delivered personally or by carrier will be the date of their delivery and the date of giving of such notices by certified or registered mail will be the date five days after the posting of the mail.

12. **General Provisions.**

(a) **Nonassignability .** Neither this Agreement nor any right or interest hereunder shall be assignable by the Employee or his beneficiaries or legal representatives without the Company's prior written consent; provided, however, that nothing in this Section 12(a) shall preclude (i) the Employee from designating a beneficiary to receive any benefit payable hereunder following his death, or (ii) the executors, administrators, or other legal representatives of the Employee or his estate from assigning any rights hereunder to the person or persons entitled thereto.

(b) **No Attachment .** Except as required by law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge, or hypothecation or to execution, attachment, levy, or similar process or assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

(c) **Binding Agreement .** This Agreement shall be binding upon, and inure to the benefit of, the Employee and the Company and their respective permitted successors and assigns.

(d) **Compliance with 409A.**

(i) Notwithstanding anything herein to the contrary, it is intended that the provisions of this Agreement satisfy the provisions of Section 409A and this Agreement shall be interpreted and administered, as necessary, so that the payments and benefits set forth herein shall be exempt from or shall comply with the requirements of Section 409A.

(ii) To the extent that the Company determines that any provision of this Agreement would cause the Employee to incur any additional tax or interest under Section 409A, the Company shall be entitled to reform such provision to attempt to comply with or be exempt from Section 409A. To the extent that any provision hereof is modified in order to comply with Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company without violating the provisions of Section 409A.

(iii) Notwithstanding any provision in this Agreement or elsewhere to the contrary, if on his termination date the Employee is deemed to be a “specified employee” within the meaning of Section 409A, any payments or benefits due upon, or within the six month period following and due to, a termination of the Employee’s employment that constitutes a “deferral of compensation” within the meaning of Code Section 409A and which do not otherwise qualify under the exemptions under Treas. Reg. Section 1.409A-1, shall be paid or provided to the Employee in a lump sum on the earlier of (1) the first day following the six month anniversary of the Employee’s separation from service (as such term is defined in Section 409A) for any reason other than death, and (2) the date of the Employee’s death, and any remaining payments and benefits shall be paid or provided in accordance with the normal payment dates specified for such payment or benefit.

(iv) Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute “non-qualified deferred compensation” within the meaning of Section 409A upon or following a termination of the Employee’s employment unless such termination is also a “separation from service” within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a “termination,” “termination of employment” or like terms shall mean “separation from service” and the date of such separation from service shall be the termination date for purposes of any such payment or benefits. In no event may the Employee, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a “deferral of compensation” within the meaning of Section 409A.

(v) All expenses or other reimbursements paid pursuant to this Agreement or other policy or program of the Company that are taxable income to the Employee shall in no event be paid later than the end of the calendar year next following the calendar year in which the Employee incurs such expense or pays such related tax. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, and (iii) such payments shall be made on or before the last day of the Employee’s taxable year following the taxable year in which the expense was incurred.

(vi) Nothing contained in this Agreement or any other agreement between the Employee and the Company or any policy, plan, program or arrangement of the Company shall constitute any representation or warranty by the Company regarding compliance with Section 409A.

13. **Modification and Waiver.**

(a) **Amendment of Agreement .** This Agreement may not be modified or amended except by an instrument in writing signed by the parties hereto.

(b) **Waiver .** No term or condition of this Agreement shall be deemed to have been waived, nor shall there be any estoppel against the enforcement of any provision of this Agreement, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver unless specifically stated therein, and each such waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

14. **Severability .** If, for any reason, any provision of this Agreement is held invalid, such invalidity shall not affect any other provision of this Agreement not held so invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect. If any provision of this Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other provisions of this Agreement, shall to the full extent consistent with law continue in full force and effect

15. **Headings .** The headings of sections herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

16. **Governing Law .** This Agreement has been executed and delivered in the State of California, and its validity, interpretation, performance, and enforcement shall be governed by the laws of said State other than the conflict of laws provisions of such laws. The Employee and the Company hereby consent to the jurisdiction of any Federal or State court of competent jurisdiction located in Los Angeles, California, and each party waives any objection to the venue of any such suit, action or proceeding and the right to assert that any such forum is not a convenient forum, and irrevocably consents to the jurisdiction of the Federal and State courts located in Los Angeles, California in any such suit, action or proceeding.

17. **Survival of Provisions .** Neither the termination of this Agreement, nor of the Employee's employment hereunder, will terminate or affect in any manner any provision of this Agreement that is intended by its terms to survive such termination, including without limitation, the provisions of Section 8 hereof.

18. **Indemnification** . The Company shall indemnify the Employee in the event the Employee is a party, or is threatened to be made a party, to any threatened, pending or contemplated action, suit, or proceeding (other than an action by or in the right of the Company) by reason of the fact that the Employee is an officer or director of the Company against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Employee in connection with such action, suit, or proceeding if the Employee acted in good faith and in a manner the Employee reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe the Employee's conduct was unlawful.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its officers thereunto duly authorized, and the Employee has signed this Agreement, all as of the day and year first above written.

CINEDIGM CORP.

By: /s/ Chris McGurk
Name: Chris McGurk
Title: Chairman & CEO

Employee

/s/ Erick Opeka
Erick Opeka

Bison Entertainment and Media Group
Unit 1501-2 15F Sino Plaza
255 Gloucester Road, Causeway Bay
Hong Kong F-4

July 10, 2019

Cinedigm Corp.
45 W. 36th St
7th Floor
New York, New York 10018

Bison Entertainment and Media Group ("Bison"), together with its affiliates, is a majority shareholder of the outstanding Class A common stock of Cinedigm Corp. (the "Company"). Bison is providing this letter in connection with your audit of the consolidated financial statements as and for the year ended March 31, 2019.

We affirm, as of the date of this letter, that Bison, in its capacity as majority shareholder, will continue to provide financial support to the Company, if necessary, for any operating cash shortfalls until July 2020.

Sincerely,

BISON ENTERTAINMENT AND MEDIA GROUP

By: __ /s/ Peixin Xu_____
Name: Peixin Xu
Title: Director

CONSULTING AGREEMENT

This Consulting Agreement (this " Agreement ") is entered into as of March 29, 2019 (the " Effective Date ") between **Cinedigm Entertainment Corp.** (the " Company ") and **William Sondheim** (" Consultant " or "Sondheim") (each herein referred to individually as a " Party ," or collectively as the " Parties "). In consideration of the mutual promises contained herein, the Parties agree as follows:

1. Services and Compensation

Consultant shall perform the services described in **Exhibit A** (the " Services ") for the Company, and the Company agrees to pay Consultant the compensation described in **Exhibit A** for Consultant's performance of the Services.

2. Term and Consulting Fee .

A. **Term.** The term of this Agreement will begin on the Effective Date of this Agreement and will continue until six (6) months from the Effective date. Notwithstanding the foregoing, the Company may terminate this Agreement at any time and without prior notice for "Cause." For purposes of this Agreement, "Cause" is defined to mean (i) Consultant's willful refusal to perform the Services or (ii) Consultant's material breach of any material provision of this Agreement. Notwithstanding the foregoing sentence, the Company may not terminate this Agreement for "Cause" unless the Company first provides Consultant with a reasonably detailed written notice of the basis for such termination and 14 days after the notice to cure the relevant failure or breach. The foregoing notice to cure provision shall not prevent the Company from immediately seeking equitable relief to enjoin a breach regarding intellectual property, confidential information or noninterference.

B. **Consulting Fee.** For all services rendered by Consultant under this Agreement, the Company will pay Consultant a consulting fee of $36,413.56 per month, payable on or about the last day of the months in which such services are rendered (the " Consulting Fee "), or the *pro rata* portion of any monthly installment of the Consulting Fee in which Consultant renders services for less than the full month. The Consulting Fee will be reported as income to Consultant on an IRS Form 1099. Consultant understands and agrees that tax liability may arise in connection with the Consulting Fee and that Consultant is responsible for the payment of such taxes, if any; and Consultant further agrees to indemnify and hold harmless the Company from any and all liabilities arising from Consultant's nonpayment of tax obligations arising from the Consulting Fee.

3. Independent Contractor .

A. **Independent Contractor Status.** Consultant and any subcontractors shall perform the Services as an independent contractor to the Company. Nothing in this Agreement shall in any way be construed to constitute Consultant as an agent, employee or representative of the Company. Without limiting the generality of the foregoing, Consultant is not authorized to bind the Company to any liability or obligation or to represent that Consultant has any such authority. Consultant agrees to furnish (or reimburse the Company for) all tools and materials necessary to accomplish this Agreement. Consultant acknowledges and agrees that Consultant is obligated to report as income all compensation received by Consultant pursuant to this Agreement. Consultant agrees to and acknowledges the obligation to pay all self-employment and other taxes on such income, and the obligation and responsibility to comply with all federal, state and local laws for taxes, state compensation and disability insurance requirements and any other payments or withholding that may be required to any subcontractors or other service providers. The Company and Consultant agree that Consultant and any subcontractors will receive no Company-sponsored benefits from the Company where such as, paid vacation, sick leave, medical insurance or 401(k) participation. If Consultant is reclassified by a state or federal agency or court as the Company's employee, Consultant will become a reclassified employee and will receive no benefits from the Company, except those mandated by state or federal law, even if by the terms of the Company's benefit plans or programs of the Company in effect at the time of such reclassification, Consultant would otherwise be eligible for such benefits.

B. **Exclusivity.** Notwithstanding the provisions of Section 3.A above, Consultant agrees to render services of the kind rendered to the Company under this Agreement only to the Company during the Term, and to no other person or entity during the Term; *provided* , however, that Consultant may at his sole option render such services to other persons or entities; and further *provided* that, if Consultant elects to render such services to other persons or entities, he will be be entitled under Section 2.B of this Agreement to one-half (1/2) of the Consulting Fee in any month during which he renders such other services. Notwithstanding the foregoing, upon execution of this Agreement Sondheim shall not be subject to any restrictive covenants, including noncompetition provisions, that might otherwise be contained in any other agreement between Consultant and the Company.

4. Indemnification . Consultant agrees to indemnify and hold harmless the Company and its affiliates and their directors, officers and employees from and against all taxes, losses, damages, liabilities, costs and expenses, including attorneys' fees and other legal expenses, arising directly or indirectly from or in connection with (i) any grossly negligent, reckless or willfully wrongful act of Consultant or Consultant's assistants, employees, contractors or agents, which results in bodily injury or damage to tangible property (ii) a determination by a court or agency that the Consultant's assistants, employees, contractors or agents, is not an independent contractor, (iii) any breach by the Consultant or Consultant's assistants, employees, contractors or agents of any of the covenants contained in this Agreement, (iv) any failure of Consultant to perform the Services in accordance with all applicable laws, rules and regulations, or (v) any violation or claimed violation of a third party's rights resulting in whole or in part from the Company's use of the Inventions or other deliverables of Consultant under this Agreement. Prior to seeking indemnification, the Company shall promptly notify Consultant in writing of any circumstance that could potentially result in Consultant's obligation to indemnify the Company. Upon receipt of such notice, Consultant may take control of the defense and/or investigation of such circumstance and may employ counsel of Consultant's choice to handle and defend the same. The Company agrees that its failure to provide such prompt notice shall result in material prejudice to the Company.

5. Consultant's Limitation of Liability . Notwithstanding Consultant's obligations under paragraph 4 (Indemnification), in no event will Consultant and/or Sondheim be liable to the Company or to any third party for any loss of use, revenue or profit or for any consequential, incidental,

indirect, exemplary, special or punitive damages whether arising out of breach of contract, tort or otherwise, regardless of whether such damage was foreseeable and whether or not Consultant and/or Sondheim has been advised of the possibility of such damages. In no event shall Consultant's and/or Sondheim's liability exceed the amounts paid by Company to Consultant and/or Sondheim under this agreement for the Services, deliverables or Invention giving rise to such liability.

6. Confidentiality

A. **Definition of Confidential Information.** " Confidential Information " means any non-public information that relates to the actual or anticipated business and/or products, research or development of the Company, its affiliates or subsidiaries, or to the Company's, its affiliates' or subsidiaries' technical data, trade secrets, or know-how, including, but not limited to, research, product plans, or other information regarding the Company's, its affiliates' or subsidiaries' products or services and markets therefor, customer lists and customers (including, but not limited to, customers of the Company on whom Consultant called or with whom Consultant became acquainted during the term of this Agreement), software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by the Company, its affiliates or subsidiaries, either directly or indirectly, in writing, orally or by drawings or inspection of premises, parts, equipment, or other property of Company, its affiliates or subsidiaries. Confidential Information shall also include information the Company has received and in the future will receive from third parties subject to a duty on the Company's part to maintain the confidentiality of such information. Notwithstanding the foregoing, Confidential Information shall not include any such information which Consultant can establish (i) was publicly known or made generally available prior to the time of disclosure to Consultant; (ii) becomes publicly known or made generally available after disclosure to Consultant through no wrongful action or inaction of Consultant; or (iii) is in the rightful possession of Consultant, without confidentiality obligations, at the time of disclosure as shown by Consultant's then-contemporaneous written records.

B. **Nonuse and Nondisclosure.** During and after the term of this Agreement, Consultant will hold in the strictest confidence, and take all reasonable precautions to prevent any unauthorized use or disclosure of Confidential Information, and Consultant will not (i) use the Confidential Information for any purpose whatsoever other than as necessary for the performance of the Services on behalf of the Company, or (ii) disclose the Confidential Information to any third party without the prior written consent of an authorized representative of Company. Consultant may disclose Confidential Information to the extent compelled by applicable law; *provided* , however, prior to such disclosure, Consultant shall provide prior written notice to Company and seek a protective order or such similar confidential protection as may be available under applicable law. Consultant agrees that no ownership of Confidential Information is conveyed to the Consultant. Without limiting the foregoing, Consultant shall not use or disclose any Company property, intellectual property rights, trade secrets or other proprietary know-how of the Company to invent, author, make, develop, design, or otherwise enable others to invent, author, make, develop, or design identical or substantially similar designs as those developed under this Agreement for any third party. Without the Company's prior written approval, Consultant shall not directly or indirectly disclose to anyone the existence of this Agreement or the fact that Consultant has this arrangement with the Company. Consultant agrees that Consultant's obligations under this Section 6.B shall continue after the termination of this Agreement.

C. **Other Client Confidential Information.** Consultant agrees that Consultant will not improperly use, disclose, or induce the Company to use any proprietary information or trade secrets of any former or concurrent employer of Consultant or other person or entity with which Consultant has an obligation to keep in confidence. Consultant also agrees that Consultant will not bring onto the Company's premises or transfer onto the Company's technology systems any unpublished document, proprietary information, or trade secrets belonging to any third party unless disclosure to, and use by, the Company has been consented to in writing by such third party.

D. **Confidential Information and Non-Disclosure Agreement.** Consultant understands and agrees that, notwithstanding any other provision of this Agreement, this Agreement will not become effective unless and until Consultant agrees to and executes the Confidential Information and Non-Disclosure Agreement in the form annexed to this Agreement as Exhibit B.

7. Ownership

A. **Assignment of Inventions.** Consultant agrees that all right, title, and interest in and to any copyrightable material, notes, records, drawings, designs, inventions, improvements, developments, discoveries and trade secrets conceived, discovered, authored, invented, developed or reduced to practice by Consultant, solely or in collaboration with others, during the term of this Agreement and arising out of Consultant's performance of the Services under this Agreement and any copyrights, patents, trade secrets, mask work rights or other intellectual property rights relating to the foregoing (collectively, " Inventions "), are the sole property of the Company. Consultant also agrees to promptly make full written disclosure to the Company of any Inventions and to deliver and assign (or cause to be assigned) and hereby irrevocably assigns fully to the Company all right, title and interest in and to the Inventions.

B. **Pre-Existing Materials.** Subject to the provisions of Section 7.A, Consultant agrees that if, in the course of performing the Services, Consultant incorporates into any Invention or utilizes in the performance of the Services any pre-existing invention, discovery, original works of authorship, development, improvements, trade secret, concept, or other proprietary information or intellectual property right owned by Consultant or in which Consultant has an interest (" Prior Inventions "), (i) Consultant will provide the Company with prior written notice and (ii) the Company is hereby granted a nonexclusive, royalty-free, perpetual, irrevocable, transferable, worldwide license (with the right to grant and authorize sublicenses) to make, have made, use, import, offer for sale, sell, reproduce, distribute, modify, adapt, prepare derivative works of, display, perform, and otherwise exploit such Prior Inventions, without restriction, including, without limitation, as part of or in connection with such Invention, and to practice any method related thereto. Consultant will not incorporate any invention, improvement, development, concept, discovery, work of authorship or other proprietary information owned by any third party into any Invention without Company's prior written permission including without limitation any free software or open source software.

C. **Moral Rights.** Any assignment to the Company of Inventions includes or waives all rights of attribution, paternity, integrity, modification, disclosure and withdrawal, and any other rights throughout the world that may be known as or referred to as "moral rights," "artist's

rights," "droit moral," or the like (collectively, " Moral Rights "), including, without limitation, any limitation on subsequent modification, to the extent permitted under applicable law.

D. **Further Assurances.** Consultant agrees to assist Company, or its designee, at the Company's expense, in every proper way to secure the Company's rights in Inventions in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments that the Company may deem necessary and testifying in a suit or other proceeding relating to such Inventions . Consultant further agrees that Consultant's obligations under this Section 7.D shall continue after the termination of this Agreement. Consultant agrees that, if the Company is unable for any reason, to secure Consultant's signature with respect to any Inventions, then Consultant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Consultant's agent and attorney-in-fact, to act for and on Consultant's behalf to execute and file any papers and oaths and to do all other lawfully permitted acts with respect to such Inventions. This power of attorney shall be deemed coupled with an interest, and shall be irrevocable.

8. Conflicting Obligations and Legal Compliance

A. **No Contractual Obstacles.** Consultant will have no agreements, relationships, or commitments to any other person or entity that conflict with the provisions of this Agreement, Consultant's obligations to the Company under this Agreement, and/or Consultant's ability to perform the Services. Consultant will not enter into any such conflicting agreement during the term of this Agreement.

B. **Compliance by Non-Parties.** Consultant shall require all Consultant's employees, contractors, or other third-parties performing Services under this Agreement to comply with terms of this Agreement and any nondisclosure agreement entered into with the Company. Consultant's violation of this Article 8 will be considered a material breach.

C. **Compliance with Applicable Laws.** Consultant represents and warrants that it shall comply with any and all applicable laws and regulations of the jurisdiction in which it is performing services and of the United States, including without limitation any applicable anti-bribery and anti-corruption laws, and shall comply with the Company's policies concerning the ethical conduct of its business, and shall hold Company harmless from any failure by Consultant or any person or entity acting under Consultant's supervision or control. For purposes of this Agreement, anti-bribery and anti-corruption laws include, without limitation, (i) the United States Foreign Corrupt Practices Act of 1977 (" FCPA "), as amended; and (ii) the anti-bribery related provisions in the criminal and anti-competition laws and any other jurisdiction in which Services are provided.

9. Return of Company Materials . Upon the termination of this Agreement, or upon Company's earlier request, Consultant will immediately deliver to the Company, and will not keep in Consultant's possession, recreate, or deliver to anyone else, any and all Company property, including, but not limited to, Confidential Information, tangible embodiments of the Inventions, all devices and equipment belonging to the Company, all electronically-stored information and passwords to access such property, any records maintained and any reproductions of any of the foregoing items that Consultant may have in Consultant's possession or control. The Company will permit Sondheim to continue to use throughout the term of this Agreement any computer and/or laptop previously provided to Sondheim by the Company. Upon termination of this Agreement, Sondheim shall be permitted to retain such computer and/or laptop, subject to the Company's right to delete all files and information pertaining to the Company; provided, however, that Sondheim will comply immediately with all reasonable instructions of the Company to effectuate its right to delete all files and information pertaining to the Company from such computer and/or laptop.

10. Nonsolicitation . To the fullest extent permitted under applicable law, during the Term or any extension thereof (the " Restricted Period "), Consultant will not, without the Company's prior written consent, directly or indirectly, solicit any of the Company's employees to leave their employment, or attempt to solicit customers or clients of the Company, either for Consultant or for any other person or entity. Consultant agrees that nothing in this Section 10 shall affect Consultant's continuing obligations under this Agreement during and after the Restricted Period.

11. Limitation of Liability . In no event shall Company be liable to Consultant or to any other party for any indirect, incidental, special or consequential damages, or damages for lost profits or loss of business, however caused and under any theory of liability, whether based in contract, tort (including negligence) or other theory of liability, regardless of whether company was advised of the possibility of such damages and notwithstanding the failure of essential purpose of any limited remedy. In no event shall Company's liability arising out of or in connection with this Agreement exceed the amounts paid by Company to Consultant under this agreement for the Services, deliverables or Invention giving rise to such liability.

12. Arbitration and Equitable Relief . In consideration of Consultant's consulting relationship with Company, its promise to arbitrate all disputes related to Consultant's consulting relationship with the Company and Consultant's receipt of the compensation and other benefits paid to Consultant by Company, at present and in the future, Consultant agrees that any and all controversies, claims, or disputes with anyone (including Company and any employee, officer, director, shareholder or benefit plan of the Company in their capacity as such or otherwise), whether brought on an individual, group, or class basis, arising out of, relating to, or resulting from Consultant's consulting relationship with the company or the termination of Consultant's consulting relationship with the Company, including any breach of this agreement, shall be subject to binding arbitration under the arbitration rules set forth in the Code of Civil Procedure (the " Act ") and pursuant to New York law. The Federal Arbitration Act shall continue to apply with full force and effect notwithstanding the application of procedural rules set forth in the Act. **Disputes which Consultant agrees to arbitrate, and thereby agrees to waive any right to a trial by jury , include any statutory claims under local, state, or federal law.** Consultant agrees that any arbitration will be administered by Judicial Arbitration & Mediation Services, Inc. (" JAMS ") pursuant to its Employment Arbitration Rules & Procedures (the " JAMS Rules "). Consultant also agrees that the arbitrator shall have the power to award any remedies available under applicable law, and that the arbitrator shall award attorneys' fees and costs to the prevailing party, except as prohibited by law. Consultant agrees that the decree or award rendered by the arbitrator may be entered as a final and binding judgment in any court having jurisdiction thereof. To the extent that the JAMS rules conflict with New York law, New York law shall take precedence. Consultant further agrees that any arbitration under this agreement shall be conducted in New York, New York. Except as provided by the Act and this Agreement, arbitration shall be the sole, exclusive, and final remedy for any dispute between Consultant and the Company. The Parties agree that any Party may also petition the court for injunctive relief

where either Party alleges or claims a violation of any agreement regarding intellectual property, confidential information or noninterference. In the event either Party seeks injunctive relief, the prevailing party shall be entitled to recover reasonable costs and attorneys' fees.

13. Miscellaneous

A. **Governing Law.** This Agreement shall be governed by the laws of the State of New York, without regard to the conflicts of law provisions of any jurisdiction. To the extent that any lawsuit is permitted under this Agreement, the Parties hereby expressly consent to the personal and exclusive jurisdiction and venue of the state and federal courts located in New York. In any court action at law or equity that is brought by one of the Parties to this Agreement to enforce or interpret the provisions of this Agreement, the prevailing Party will be entitled to reasonable attorneys' fees, in addition to any other relief to which that Party may be entitled.

B. **Assignability.** This Agreement will be binding upon Consultant's heirs, executors, assigns, administrators, and other legal representatives, and will be for the benefit of the Company, its successors, and its assigns. Except as may otherwise be provided in this Agreement, Consultant may not sell, assign or delegate any rights or obligations under this Agreement. Notwithstanding anything to the contrary herein, Company may assign this Agreement and its rights and obligations under this Agreement to any successor to all or substantially all of Company's relevant assets, whether by merger, consolidation, reorganization, reincorporation, sale of assets or stock, or otherwise.

C. **Limited Assignment Permitted.** Notwithstanding any provisions hereof to the contrary, Consultant shall have the right to assign all of his rights and obligations under this Agreement to a limited liability company or corporation, of which he is the sole member, shareholder or owner. Such assignment shall be exercisable in a written Notice of Assignment in substantially the form attached hereto as Exhibit C, which by reference is made a part hereof. Upon receipt of such Notice of Assignment, the Company shall thereafter treat the Consultant's assignee as the Consultant hereunder. Notwithstanding the foregoing, the assignment of this Agreement pursuant to this paragraph shall not affect the obligations of Sondheim to adhere to sections 7, 8, 9 and 10 of the Agreement, and shall not otherwise function as a novation in Sondheim's favor.

D. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the Parties with respect to Sondheim's prior and separation of employment with the Company, and the subject matter herein and supersedes all prior written and oral agreements, discussions, or representations between the Parties, including the Employment Agreement dated as of December 4, 2014. Sondheim represents and warrants that he is not relying on any statement or representation not contained in this Agreement. To the extent any terms set forth in any exhibit or schedule conflict with the terms set forth in this Agreement, the terms of this Agreement shall control unless otherwise expressly agreed by the Parties in such exhibit or schedule.

E. **Severability.** If a court or other body of competent jurisdiction finds, or the Parties mutually believe, any provision of this Agreement, or portion thereof, to be invalid or unenforceable, such provision will be enforced to the maximum extent permissible so as to effect the intent of the Parties, and the remainder of this Agreement will continue in full force and effect.

F. **Modification and Waiver .** No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in a writing signed by the Parties. Waiver by the Company of a breach of any provision of this Agreement will not operate as a waiver of any other or subsequent breach.

G. **Notices.** Any notice or other communication required or permitted by this Agreement to be given to a Party shall be in writing and shall be deemed given (i) if delivered personally or by commercial messenger or courier service, (ii) when sent by confirmed facsimile, or (iii) if mailed by U.S. registered or certified mail (return receipt requested), to the Party at the Party's address written below or at such other address as the Party may have previously specified by like notice. If by mail, delivery shall be deemed effective three business days after mailing in accordance with this Section 13G. If to the Company, to the address above, and if to Consultant, to the address for notice on the signature page to this Agreement or, if no such address is provided, to the last address of Consultant provided by Consultant to the Company.

H. **Voluntary Nature of Agreement .** Consultant acknowledges and agrees that he is executing this Agreement voluntarily and without any duress or undue influence by the Company or anyone else. Consultant further acknowledges and agrees that he has carefully read this agreement and that Consultant has asked any questions needed for Consultant to understand the terms, consequences and binding effect of this agreement and fully understand it, including that ***Consultant is waiving his right to a jury trial*** . Finally, Consultant agrees that he has been provided an opportunity to seek the advice of an attorney of Consultant's choice before signing this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Consulting Agreement as of the date first written above.

CONSULTANT **CINEDIGM ENTERTAINMENT CORP.**

By: /s/ William S. Sondheim By: /s/ Gary S. Loffredo

Name: William S. Sondheim Name: Gary S. Loffredo

Title: President Title: COO/General Counsel

Address for Notice:

____

____

EXHIBIT A

SERVICES AND COMPENSATION

1. ***Contact .*** Consultant's principal Company contact is:

Name: Chris McGurk

Title: CEO

Email: cmcgurk@cinedigm.com

2. ***Services*** . The Services will include, but will not be limited to, the following:

Provide analysis of options to streamline the content and entertainment and to outsource certain functions and processes of the content and entertainment business of the Company. Coordinate business relations with partners in China, the government of China, investors in China and other companies in China. Source, analyze and advise on film co productions. Provide advice on business relations with Universal and coordinate discussions with Universal. Other services as requested by Company's CEO.

3. ***Compensation .***

A. The Company will pay Consultant in accordance with Section 2 of the foregoing Agreement.

B. Reimbursement of Expenses . The Company will reimburse Consultant, in accordance with Company policy. The Company shall reimburse the Consultant for reasonable travel and other out-of-pocket expenses incurred by the Consultant in the performance of the Services, provided that the Consultant shall have submitted to the Company written expense statements and other supporting documentation in a form that is reasonably satisfactory to the Company. Such statement shall be subject to the approval of the contact person listed above or other designated agent of the Company. The Consultant shall submit electronic expense report with monthly invoice via email to Gary Loffredo, Esq., Chief Operating Officer, President Digital Cinema & General Counsel (gloffredo@cinedigm.com), with a copy to Mark Torres, Vice President, Human Resources (mtorres@cinedigm.com), within three (3) days after the end of each month. The Company shall provide the Consultant a direct deposit check for all undisputed amounts due under this Section within thirty (30) days after receiving each monthly expense report.

[Signature page follows]

This **Exhibit A** is accepted and agreed upon as of March 29, 2019.

CONSULTANT **CINEDIGM ENTERTAINMENT CORP.**

By: /s/ William S. Sondheim By:

Name: William S. Sondheim Name:

Title: President Title:

EXHIBIT B

CONFIDENTIAL INFORMATION AND NON-DISCLOSURE AGREEMENT

This Confidential Information and Non-Disclosure Agreement is entered into between William Sondheim (" Recipient ") and Cinedigm Entertainment Corp. (the " Company ") as of March 29, 2019 (the " Effective Date "), to protect the confidentiality of certain confidential information of the Company to be disclosed under this Agreement solely for use in evaluating or pursuing an advisory relationship between the parties to grow the Company's team and business.

WHEREAS, in the course of discussions with Recipient, the Company will make available to Recipient oral and written information relating to the Company's intellectual property, know-how, analysis and related activities (" Confidential Information "), solely for Recipient's review for the purpose of the evaluation and discussion to which this Agreement relates; and

WHEREAS, the Company wishes to protect the Confidential Information against disclosure to third parties.

NOW, THEREFORE, the parties agree as follows:

1. The parties each agree that all Confidential Information is and shall remain the sole property of the Company.

2. The Recipient agrees to hold in confidence and trust and to maintain as confidential all Confidential Information at all times. The Recipient shall not disclose any Confidential Information to any third person without the prior written consent of the Company. The Recipient further agrees not to make any use of the Confidential Information whatsoever except to evaluate or pursue advisory relationship with the Company.

3. Upon termination or expiration of the Agreement, or upon written request of the Company, the Recipient shall immediately return to the Company or destroy all documents, notes and other tangible materials representing the Confidential Information and all copies thereof. The Recipient shall certify in writing any such destruction of Confidential Information.

4. This Agreement supersedes all prior discussions and writings and constitutes the entire agreement between the parties with respect to the information disclosed hereunder. No waiver or modification of the Agreement shall be binding upon either party unless made in writing and signed by a duly authorized representative of such party. In case any provision of this agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

5. The Agreement shall be governed by and construed in accordance with the laws of the State of New York, USA without reference to conflict of laws principles.

6. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties hereto have caused this Confidential Information and Non-Disclosure Agreement to be executed as of the Effective Date.

RECIPIENT **CINEDIGM ENTERTAINMENT CORP.**

By: /s/ William S. Sondheim By: __

Name: William S. Sondheim Name: __

Title: President Title: __

EXHIBIT C

NOTICE OF ASSIGNMENT

[DATE]

[NAME AND ADDRESS]

Re: Notice of Assignment of Consultant Agreement between Cinedigm Entertainment Corp. and William Sondheim

Dear [NAME]:

I write to notify you that an assignment was made [on/ effective as of] [DATE] by me to [ENTITY NAME] of the Consultant Agreement between Cinedigm Entertainment Corp. (the Company") and myself, dated as of [DATE] (" **Agreement** "). I am the sole [shareholder/owner/member] of the [ENTITY NAME]. As of the assignment's effective date, [ENTITY NAME] has assumed all of my rights and obligations under the Agreement. However, in accordance with Section 13C. of the Agreement, I acknowledge that I will remain obligated to adhere to sections 7, 8, 9 and 10 of the Agreement.

[ASSIGNEE] is a State of Connecticut [ENTITY TYPE], with offices located at [ADDRESS]. Its registered agent is at [ADDRESS]. All notices required under Section 13G. of the Agreement should be sent to:

[NAME OF INDIVIDUAL OR TITLE]

[ADDRESS]

[PHONE NUMBER AND FAX NUMBER (IF REQUIRED IN THE NOTICE PROVISION)]

In the future, you should deal with [ASSIGNEE] about all matters relating to the Agreement. All payments, questions, and correspondence relating to the Agreement should be sent to [ASSIGNEE] at [the address set out in the paragraph above, marked for the attention of William Sondheim. The Agreement will continue on its existing terms in all other respects.

Very truly yours,

By:_ /s/ William S. Sondheim_____

William Sondheim

[TITLE:]

CINEDIGM

February 28, 2019

Gary Loffredo
62 Wheeler Road
Wayne, NJ 07470

Re: Letter of Promotion

Dear Gary:

Cinedigm Corp. (the "Company") is pleased to offer you a promotion to the exempt position Chief Operating Officer in our New York office.

1. Start Date & Duties : Your effective date of promotion is February 13, 2019. Along with your roles and responsibilities for the various duties as set forth in your new position description which we discussed, you will also retain your role as General Counsel and President of Digital Cinema. You will continue to report to Chris McGurk, Chairman & Chief Executive Officer. You agree to use your reasonable efforts to perform your duties for the Company diligently and to the best of your ability. You agree to devote your full business time and attention to performing your duties for the Company.

2. Compensation : Your new compensation will be $17,708.33 per pay period which equalizes to $425,000.00 US dollars annually, payable in accordance with the Company's normal payroll practices and subject to whatever withholdings are required by law.

    a. Bonus : You will be eligible to participate in the Company's Management Annual Incentive Plan or any amended or successor plan thereto ("MAIP"). For each of the fiscal years ending March 31st, the target bonus shall be 60% (Sixty percent) of your Base Salary (the "Target Bonus"). Your bonuses shall be based on Company performance with goals to be established annually by the Compensation Committee and shall be subject to adjustment at the sole discretion of the Compensation Committee. Bonuses shall be paid at the same time bonuses are paid to other executives of the company, which payment shall be made during the calendar year that includes the close of such fiscal year, but no later than August 31st following the fiscal year for which the bonus is earned and shall be subject to the terms of the MAIP.

    b. Long-Term Incentive Awards : As the company is in transition regarding our current stock plan, you shall receive an award that is commensurate with your new role that is in line with an executive at the COO level at the discretion of the

Compensation Committee. Considerations for all grants among other factors are, the availability of shares under the EIP and other SAR features such as length of term, and termination provisions shall be consistent with prior option grants, subject to the sole and absolute discretion of the Compensation Committee. The award described in this paragraph will be subject to the specific terms of separate Notices of Award that will be provided to you.

The continuing provisions of the Employment Agreement between you and The Company dated as of October 13, 2013 are not affected by this letter.

Congratulations on your promotion and your new position at Cinedigm Corp.

Sincerely,

Cinedigm Corp. Agreed and Accepted:

_ /s/ Mark Torres_____ _ /s/ Gary Loffredo_____
Mark Torres Gary Loffredo
Vice President, Human Resources Chief Operating Officer

___ 3/5/19_____ _ 2/28/19_____
Date Date

15301 Ventura Blvd
Bldg. B, Suite 420 45 West 36 th Street 7 th Floor
424.281.5400 ph 212-206-8600 ph.
424.281.5401 fax 212-206-9001 fax

Subsidiaries of Cinedigm Corp. (the " ***Company*** ")

1. Access Digital Media, Inc., a Delaware corporation and a wholly-owned subsidiary of Cinedigm DC Holdings, LLC.
2. ADM Cinema Corporation d/b/a the Pavilion Theatre, a Delaware corporation and a wholly-owned subsidiary of the Company.
3. Christie/AIX, Inc., a Delaware corporation and a wholly-owned subsidiary of Access Digital Media, Inc.
4. Vistachiara Productions Inc., d/b/a The Bigger Picture, a Delaware corporation and a wholly-owned subsidiary of the Company.
5. Access Digital Cinema Phase 2, Corp., a Delaware corporation and a wholly-owned subsidiary of the Company.
6. Vistachiara Entertainment, Inc., a Delaware corporation and a wholly-owned subsidiary of the Company.
7. Access Digital Cinema Phase 2 B/AIX Corp., a Delaware corporation and a wholly-owned subsidiary of Access Digital Cinema Phase 2 Corp.
8. Cinedigm Digital Funding 1, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Christie/AIX, Inc.
9. CDF2 Holdings, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Access Digital Cinema Phase 2 Corp.
10. Cinedigm Digital Funding 2, LLC, a Delaware limited liability company and a wholly-owned subsidiary of CDF2 Holdings, LLC.
11. Cinedigm Entertainment Corp., a New York corporation and a wholly-owned subsidiary of the Company.
12. Cinedigm Digital Cinema Australia Pty Ltd, an Australian proprietary company and a wholly-owned subsidiary of the Company.
13. Cinedigm DC Holdings, LLC, a Delaware limited liability company and a wholly-owned subsidiary of the Company.
14. Cinedigm Entertainment Holdings, LLC, a Delaware limited liability company and a wholly-owned subsidiary of the Company.
15. Cinedigm Home Entertainment, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Cinedigm Entertainment Holdings, LLC.
16. Con TV, LLC, a Delaware limited liability company and an 85% owned subsidiary of Cinedigm Entertainment Corp.
17. Docurama, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Cinedigm OTT Holdings, LLC.
18. Dove Family Channel, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Cinedigm OTT Holdings, LLC.
19. Cinedigm OTT Holdings, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Cinedigm Entertainment Corp.
20. Cinedigm Productions, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Cinedigm Entertainment Corp.
21. Comic Blitz II LLC, a Delaware limited liability company and a wholly-owned subsidiary of Cinedigm OTT Holdings, LLC.
22. Viewster, LLC, , a Delaware limited liability company and a wholly-owned subsidiary of Cinedigm OTT Holdings, LLC.
23. C&F Merger Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of the Company.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements of Cinedigm Corp. on Form S-1 (No. 333-214486), S-3 (No. 333-222190) and Form S-8 (Nos. 333-220773 and 333-189898) of our report dated July 15, 2019 on our audits of the consolidated financial statements as of March 31, 2019 and 2018 and for each of the years in the two-year period ended March 31, 2019, which report is included in this Annual Report on Form 10-K to be filed on July 15, 2019.

/s/ EISNERAMPER LLP

EISNERAMPER LLP
New York, New York
July 15, 2019

EXHIBIT 31.1

CERTIFICATION

I, Christopher J. McGurk, certify that:

1. I have reviewed this Form 10-K of Cinedigm Corp.;

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 officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

5. The registrant's other certifying officers 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 the 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: July 15, 2019

By: /s/ Christopher J. McGurk

Christopher J. McGurk
Chief Executive Officer and Chairman of the Board of Directors
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Gary S. Loffredo, certify that:

1. I have reviewed this Form 10-K of Cinedigm Corp.;

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 officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

5. The registrant's other certifying officers 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 the 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: July 15, 2019

By: /s/ Gary Loffredo

Chief Operating Officer, President Digital Cinema, General Counsel and Secretary (Principal Financial Officer)

EXHIBIT 32.1

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 Form 10-K of Cinedigm Corp. (the "Company") for the period ended March 31, 2019 as filed with the SEC (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: July 15, 2019

By: /s/ Christopher J. McGurk

Christopher J. McGurk
Chief Executive Officer and Chairman of the Board of Directors
(Principal Executive Officer)

EXHIBIT 32.2

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 Form 10-K of Cinedigm Corp. (the "Company") for the period ended March 31, 2019 as filed with the SEC (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: July 15, 2019

By: /s/ Gary S. Loffredo

Chief Operating Officer, President Digital Cinema, General Counsel and Secretary (Principal Financial Officer)