

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

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

Date of Report (Date of earliest event reported): April 14, 2020

iMedia Brands, Inc.
(Exact name of registrant as specified in its charter)

**Minnesota
(State or other jurisdiction
of incorporation)**

**001-37495
(Commission
File Number)**

**41-1673770
(IRS Employer
Identification No.)**

**6740 Shady Oak Road,
Eden Prairie, Minnesota 55344-3433
(Address of principal executive offices)**

**(952) 943-6000
(Registrant's telephone number, including area code)**

**Not applicable
(Former name or former address, if changed since last report)**

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	IMBI	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 1.01 **Entry into a Material Definitive Agreement**

On April 14, 2020 (the “*Effective Date*”), iMedia Brands, Inc. entered into a common stock and warrant purchase agreement with certain individuals and entities, pursuant to which we will issue and sell an aggregate of 1,958,384 shares of our common stock and warrants to purchase an aggregate of 979,190 shares of our common stock in a private placement, for an aggregate cash purchase price of \$4,000,000.

In the initial closing under the purchase agreement, which will occur on or before April 17, 2020, we will issue and sell an aggregate of 734,394 shares and warrants to purchase an aggregate of 367,197 shares of our common stock for an aggregate cash purchase price of \$1,500,000. Pursuant to the purchase agreement, subsequent closings each with an aggregate cash purchase price of \$500,000 are expected to occur on each of May 23, 2020, June 1, 2020, and June 13, 2020, in which an aggregate of 244,798 shares and warrants to purchase an aggregate of 122,399 shares of our common stock will be issued and sold at each closing, and a closing with an aggregate cash purchase price of \$1,000,000 is scheduled to occur on July 11, 2020, in which an aggregate of 489,596 shares and warrants to purchase an aggregate of 244,798 shares of our common stock will be issued and sold at this closing. The warrants will have an exercise price per share of \$2.66 and are exercisable at any time and from time to time from six months following their issuance date until April 14, 2025. We have included a blocker provision in the purchase agreement whereby no purchaser may be issued shares of our common stock if the purchaser would own over 19.999% of our outstanding common stock and, to the extent a purchaser in this offering would own over 19.999% of our outstanding common stock, that purchaser will receive fully-paid warrants (in contrast to the coverage warrants that will be issued in this transaction, as described above) in lieu of the shares that would place such holder’s ownership over 19.999%. Further, we have included a similar blocker in the warrants (and amended the warrants purchased by the purchasers on May 2, 2019, if any) whereby no purchaser of the warrants may exercise a warrant if the holder would own over 19.999% of our outstanding common stock.

The purchasers consist of the following: Invicta Media Investments, LLC, Michael and Leah Friedman and Hacienda Jackson LLC. Invicta Media Investments, LLC is owned by Invicta Watch Company of America, Inc., which is the designer and manufacturer of Invicta-branded watches and watch accessories, one of our largest and longest tenured brands. Michael and Leah Friedman are owners and officers of Sterling Time, LLC, which is the exclusive distributor of Invicta Watch Company of America’s watches and watch accessories for television home shopping and our long-time vendor. Invicta Watch Company of America is owned by our Vice Chair and director, Eyal Lalo, and Michael Friedman also serves as a director of our company. Further, Invicta Media Investments, LLC and Michael and Leah Friedman comprise a “group” of investors within the meaning of Section 13(d)(3) of the Securities and Exchange Act of 1934, as amended, that is our largest stockholder.

Under the purchase agreement, the purchasers agreed to customary standstill provisions related to our company for a period of two years through May 2, 2022, as well as to vote their shares in favor of matters recommended by our board of directors for approval by our shareholders for the same time period.

Additionally, on April 14, 2020, we entered into a registration rights agreement with the purchasers, pursuant to which we agreed to register the shares of common stock and the shares issuable upon exercise of warrants held by the purchasers in accordance with the terms and conditions therein.

The foregoing descriptions are qualified in their entirety by reference to the form of coverage warrants, form of fully-paid warrants, the purchase agreement and the registration rights agreement, copies of which are included as Exhibit 4.1, Exhibit 4.2, Exhibit 10.1 and Exhibit 10.2, respectively, to this Current Report on Form 8-K and are incorporated by reference herein.

Item 2.02 **Results of Operations and Financial Condition**

On April 15, 2020, we issued a press release disclosing our results of operations and financial condition for our fourth fiscal quarter and full fiscal year ended February 1, 2020. The press release is furnished herewith as Exhibit 99.1.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in that filing.

Item 3.02 **Unregistered Sales of Equity Securities**

As described in Item 1.01 of this Current Report on Form 8-K, on April 14, 2020, we entered into a purchase agreement pursuant to which we expect to issue an aggregate of 1,958,384 shares of common stock and warrants to purchase an aggregate of 979,190 shares of common stock. Pursuant to the terms of the purchase agreement, we are expected to issue and sell an aggregate of 244,798 shares and warrants to purchase an aggregate of 122,399 shares on each of May 23, 2020, June 1, 2020 and June 13, 2020 and an aggregate of 244,798 shares and warrants to purchase an aggregate of 489,596 shares on July 11, 2020. The description of the transaction and the warrants contained in Item 1.01 is incorporated by reference into this Item 3.02.

All of the securities described in this Current Report on Form 8-K were or will be offered and sold in reliance upon exemptions from registration pursuant to Section 4(a)(2) under the Securities Act of 1933, and Rule 506 of Regulation D promulgated thereunder. The offerings were made to “accredited investors” (as defined by Rule 501 under the Securities Act of 1933).

Item 5.02 **Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

On April 14, 2020, the board of directors elected Timothy A. Peterman to the board of directors for a term expiring at our 2020 annual meeting of shareholders. Mr. Peterman will not serve on any board committees or receive additional compensation for his service as a director. Mr. Peterman, age 52, rejoined our company as chief executive officer in May 2019 and was appointed as chief financial officer in January 2020. He previously served as our chief financial officer beginning in March 2015, and was promoted to chief operating officer / chief financial officer in June 2017. He served in these roles until April 2018 and served as a non-officer employee of our company through June 1, 2018. Mr. Peterman then served as chief operating officer and chief financial officer at Amerimark Interactive, Inc. Prior to joining our company in March 2015, Mr. Peterman served as the chief operating officer and chief financial officer for The J. Peterman Company, an ecommerce apparel brand, since 2011. From 2009 to 2011, he served as chief operating officer and chief financial officer of Synacor, Inc., a media technology company. Previously, Mr. Peterman served almost six years at The E.W. Scripps Company in various senior roles, including senior vice president of corporate development. From 1999 to 2002, he was chief operating officer and chief financial officer of IAC’s broadcasting and cable divisions, which included USA Network and Sci-Fi Channel. Mr. Peterman also spent almost six years in senior financial roles at Tribune Company. Mr. Peterman began his career at KPMG in Chicago in 1989 and is a CPA.

As described in Item 1.01 of our Current Report on Form 8-K filed with the Securities and Exchange Commission on May 3, 2019 (the “2019 Form 8-K”), Mr. Peterman acquired 16,667 shares of our common stock and warrants to purchase 72,917 shares of our common stock for an aggregate purchase price of \$125,000 in a private placement on May 2, 2019. Invicta Media Investments and Michael and Leah Friedman also participated in this private placement, pursuant to which we issued and sold an aggregate of 800,000 shares of our common stock and warrants to purchase an aggregate of 350,000 shares of our common stock for an aggregate cash purchase price of \$6,000,000.

Pursuant to his employment agreement, Mr. Peterman, our chief executive officer, will continue to receive an annual base salary of \$650,000 and will be eligible for annual cash bonuses targeted at 100% of his annual salary with a maximum annual cash bonus equal to 200% of his annual salary. Beginning in our fiscal year ending January 30, 2021, Mr. Peterman’s annual cash bonus opportunity will be pursuant to the iMedia Brands, Inc. Management Incentive Plan (the “Incentive Plan”), which the board of directors adopted on April 14, 2020. Under the Incentive Plan, the Human Resources and Compensation Committee may grant annual cash bonus awards to any employee of our company or our subsidiaries, which awards will be earned based upon the achievement of one or more performance goals based on one or more of the performance measures specified in the Incentive Plan. The committee may adjust the performance goals or the performance measures on which they are based upon the conditions specified in the Incentive Plan. Awards earned under the Incentive Plan will be paid in a lump sum cash payment (less applicable withholding taxes) as soon as practicable following the committee’s determination of the award amount but no later than two and one-half months after the end of the calendar year during which the applicable performance period ended. The foregoing description is qualified in its entirety by reference to the Incentive Plan, a copy of which is included as Exhibit 10.3 to this Current Report on Form 8-K and is incorporated by reference herein.

In addition, on April 14, 2020, we authorized the grant to Mr. Peterman of an award of 71,790 restricted stock units (“RSUs”), which will vest in three equal annual installments beginning on the first anniversary of the date of grant, which we expect to be April 17, 2020. We intend to grant Mr. Peterman an additional 73,728 RSUs when sufficient shares are available for issuance under either our 2011 Omnibus Incentive Plan or future incentive compensation plans that we may adopt.

Also on April 14, 2020, we authorized the grant to Mr. Peterman of a target number of 145,522 performance stock units (“PSUs”), which will be earned based on our achievement of pre-established goals for liquidity over the measurement period from February 2, 2020 to January 30, 2021. Any earned PSUs will vest on January 28, 2023. These PSUs are subject to the other terms and conditions of the applicable award agreement, the form of which is included as Exhibit 10.4 to this Current Report on Form 8-K and is incorporated by reference herein. We expect this award to be granted on April 17, 2020.

As described in Item 5.02 of the 2019 Form 8-K and pursuant to his employment agreement, Mr. Peterman received a \$150,000 relocation payment and an award of 68,000 PSUs from our company during the fiscal year ended February 1, 2020. This PSU award, which was granted on May 2, 2019, was made outside of our existing equity incentive plans as an inducement grant in accordance with Nasdaq Listing Rule 5635(c)(4). The PSUs will vest one-third upon the one year anniversary of the grant date, one-third when the per-share closing price of our common stock reaches or exceeds an average trading price of \$20.00 for 20 consecutive trading days and Mr. Peterman has been continuously employed for at least one year from the grant date, and the remaining shares when the per-share closing price of our common stock reaches or exceeds an average trading price of \$40.00 for 20 consecutive trading days and Mr. Peterman has been continuously employed for at least two years after the grant date.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

The following exhibits are being filed or furnished with this Current Report on Form 8-K:

Exhibit No.	Description
<u>4.1</u>	<u>Form of Warrant under Common Stock and Warrant Purchase Agreement, dated April 14, 2020 by and between iMedia Brands, Inc. and the Purchasers listed therein (coverage)</u>
<u>4.2</u>	<u>Form of Warrant under Common Stock and Warrant Purchase Agreement, dated April 14, 2020 by and between iMedia Brands, Inc. and the Purchasers listed therein (fully paid)</u>
<u>10.1</u>	<u>Common Stock and Warrant Purchase Agreement, dated as of April 14, 2020, by and between iMedia Brands, Inc. and the Purchasers listed therein</u>
<u>10.2</u>	<u>Registration Rights Agreement, dated as of April 14, 2020, by and between iMedia Brands, Inc. and the Purchasers listed therein</u>
<u>10.3</u>	<u>iMedia Brands, Inc. Management Incentive Plan*</u>
<u>10.4</u>	<u>Form of Performance Share Unit Award Agreement pursuant to the 2011 Omnibus Incentive Plan*</u>
<u>99.1</u>	<u>Press Release dated April 15, 2020 (results of operations)</u>
<u>99.2</u>	<u>Press Release dated April 15, 2020 (financing)</u>

* Management compensatory plan/arrangement.

SIGNATURES

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

Date: April 15, 2020

iMedia Brands, Inc.

By: /s/ Timothy A. Peterman
Timothy A. Peterman
Chief Executive Officer

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATES. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. UNLESS SOLD PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

IMEDIA BRANDS, INC.

WARRANT

Warrant No. 2020B-[]

Original Issue Date:
[], 2020

IMEDIA BRANDS, INC., a Minnesota corporation (the “Company”), hereby certifies that, for value received, [] or its registered assigns (the “Holder”), is entitled to purchase from the Company up to a total of [] shares of Common Stock (each such share, a “Warrant Share” and all such shares, the “Warrant Shares”), at any time and from time to time from and after [six months + 1 day following the Original Issue Date] and through and including April 14, 2025 (the “Expiration Date”), and subject to the following terms and conditions:

1. Definitions. As used in this Warrant, the following terms shall have the respective definitions set forth in this Section. Capitalized terms that are used and not defined in this Warrant that are defined in the Purchase Agreement (as defined below) shall have the respective definitions set forth in the Purchase Agreement.

“Closing Price” means, for any date of determination, the price determined by the first of the following clauses that applies: (i) if the Common Stock is then listed or quoted on a Trading Market, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) on such market; (ii) if prices for the Common Stock are then quoted on the OTC Bulletin Board, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; (iii) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported; or (iv) in all other cases, the fair market value of a share of Common Stock as determined by an independent qualified appraiser selected in good faith and paid for by the Company.

“Common Stock” means the common stock of the Company, par value \$.01 per share, and any securities into which such common stock may hereafter be reclassified.

“Exercise Price” means \$2.66, subject to adjustment in accordance with Section 9.

“Fundamental Transaction” means any of the following: (i) the Company effects any merger or consolidation of the Company with or into another person, (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or another person pursuant to an agreement with the Company) is completed pursuant to which all holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property and the holders of at least 50% of the then outstanding Common Stock tender their shares of Common Stock, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property.

“*Original Issue Date*” means the Original Issue Date first set forth on the first page of this Warrant or its predecessor instrument.

“*Purchase Agreement*” means the Common Stock and Warrant Purchase Agreement, dated April 14, 2020, to which the Company and the original Holder are parties.

“*Trading Day*” means (i) a day on which the Common Stock is traded on a Trading Market (other than the OTC Bulletin Board), or (ii) if the Common Stock is not listed on a Trading Market (other than the OTC Bulletin Board), a day on which the Common Stock is traded in the over-the-counter market, as reported by the OTC Bulletin Board, or (iii) if the Common Stock is not quoted on any Trading Market, a day on which the Common Stock is quoted in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or any similar organization or agency succeeding to its functions of reporting prices); provided, that in the event that the Common Stock is not listed or quoted as set forth in clauses (i), (ii) and (iii) hereof, then Trading Day shall mean a Business Day.

“*Trading Market*” means whichever of the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or the OTC Bulletin Board on which the Common Stock is listed or quoted for trading on the date in question.

2. Registration of Warrant. The Company shall register this Warrant upon records to be maintained by the Company for that purpose (the “*Warrant Register*”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. Registration of Transfers. The Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto duly completed and signed and such other documents as described in the Purchase Agreement, to the Company at its address specified herein. Upon any such registration or transfer, a new Warrant to purchase Common Stock, in substantially the form of this Warrant (any such new Warrant, a “*New Warrant*”), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.

4. Exercise and Duration of Warrants.

(a) This Warrant shall be exercisable by the registered Holder in whole at any time and in part from time to time from [six months + 1 day from the Original Issue Date] through and including the Expiration Date. At 5:30 p.m., Central time on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value.

(b) Notwithstanding anything to the contrary set forth in this Warrant, in the event of a Change of Control, (i) at Company's sole option unless (ii) the Change of Control results in the Company no longer having a class of securities registered under Section 12 or Section 15 of the Securities Exchange Act of 1934 in which case such determination shall be made automatically, the Holder shall surrender this Warrant in exchange for a number of shares of Company's securities, such number of securities being equal to the maximum number of securities issuable pursuant to the terms hereof (after taking into account all adjustments described herein) had the Holder elected to exercise this Warrant immediately prior to the closing of such Change of Control and purchased all such shares pursuant to the cashless exercise provision set forth in Section 10(b) (as opposed to the cash exercise provision set forth in Section 10(a)). The Company acknowledges and agrees that the Holder shall not be required to make any additional payment (cash or otherwise) for such shares as further consideration for their issuance in exchange for the Holder's surrender of this Warrant pursuant to the terms of the preceding sentence. A "Change of Control" shall be deemed to occur if the Company shall (a) sell, lease, convey, or otherwise dispose of (including without limitation the grant of an exclusive license to) all or substantially all of the Company's intellectual property or assets as an entirety or substantially as an entirety to any person, entity or group of persons acting in concert, (b) effect a merger, consolidation or reorganization in which the Company is not the surviving entity and the stockholders of the Company immediately prior to the merger, consolidation or reorganization fail to possess direct or indirect ownership of more than 50% of the voting power of the securities of the surviving entity immediately following such transaction (other than a merger or consolidation with a wholly-owned subsidiary, a reincorporation of the Company, or other transaction in which there is no substantial change in the stockholders of the Company or their relative stock holdings), or (c) effect a merger, consolidation or reorganization in which the Company is the surviving corporation and the stockholders of the Company immediately prior to the merger, consolidation or reorganization fail to possess direct or indirect ownership of more than 50% of the securities of the Company immediately following such transaction.

5. Delivery of Warrant Shares.

(a) To effect exercises hereunder, the Holder shall not be required to physically surrender this Warrant unless the aggregate Warrant Shares represented by this Warrant are being exercised. Upon delivery of the Exercise Notice (in the form attached hereto) to the Company (with the attached Warrant Shares Exercise Log) at its address for notice set forth herein and upon payment of the Exercise Price multiplied by the number of Warrant Shares that the Holder intends to purchase hereunder, the Company shall promptly (but in no event later than two Trading Days after the Date of Exercise (as defined herein)) issue and deliver to the Holder, a certificate for the Warrant Shares issuable upon such exercise. A "Date of Exercise" means each of (A) the date of a Change of Control and (B) the date on which the Holder shall have delivered to the Company: (i) the Exercise Notice (with the Warrant Exercise Log attached to it), appropriately completed and duly signed and (ii) payment of the Exercise Price for the number of Warrant Shares so indicated by the Holder to be purchased.

(b) If by the third Trading Day after a Date of Exercise the Company fails to deliver the required number of Warrant Shares in the manner required pursuant to Section 5(a), then the Holder will have the right to rescind such exercise.

6. **Charges, Taxes and Expenses.** Issuance and delivery of Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. **Replacement of Warrant.** If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity (which shall not include a surety bond), if requested. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. Reservation of Warrant Shares. The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of Persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable.

9. Certain Adjustments. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding, (i) pays a stock dividend on its Common Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock, (ii) subdivides outstanding shares of Common Stock into a larger number of shares, or (iii) combines outstanding shares of Common Stock into a smaller number of shares, then in each such case the Exercise Price shall be adjusted to equal the product obtained by multiplying the then-current Exercise Price by a fraction of which the numerator shall be the number of shares of Common Stock outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, and any adjustment pursuant to clause (ii) or (iii) of this paragraph shall become effective immediately after the effective date of such subdivision or combination.

(b) Fundamental Transactions. If, at any time while this Warrant is outstanding there is a Fundamental Transaction, then the Holder shall have the right thereafter to receive, upon exercise of this Warrant, the same amount and kind of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of the number of Warrant Shares then issuable upon exercise in full of this Warrant (the "*Alternate Consideration*"). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. Any successor to the Company or surviving entity in such Fundamental Transaction shall issue to the Holder a new warrant substantially in the form of this Warrant and consistent with the foregoing provisions and evidencing the Holder's right to purchase the Alternate Consideration for the aggregate Exercise Price upon exercise thereof.

(c) Number of Warrant Shares. Simultaneously with any adjustment to the Exercise Price pursuant to this Section, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the adjusted number of Warrant Shares shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(d) Calculations. All calculations under this Section shall be made to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(e) Notice of Adjustments. Upon the occurrence of each adjustment pursuant to this Section, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant Shares or other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Company's Transfer Agent.

10. Payment of Exercise Price. The Holder may pay the Exercise Price in one of the following manners:

(a) Cash Exercise. The Holder may deliver immediately available funds; or

(b) Cashless Exercise. Solely pursuant to a Company Exercise, the Company shall issue to the Holder the number of Warrant Shares determined as follows:

$$X = Y [(A-B)/A]$$

where:

X = the number of Warrant Shares to be issued to the Holder.

Y = the number of Warrant Shares with respect to which this Warrant is being exercised.

A = the average of the Closing Prices for the five Trading Days immediately prior to (but not including) the Exercise Date.

B = the Exercise Price.

11. No Fractional Shares. No fractional shares of Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares which would, otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the Closing Price of one Warrant Share on the date of exercise.

12. Notices. Any notice required or permitted under this Warrant (including, without limitation, any Exercise Notice) shall be given in writing and shall be deemed effectively given upon the earlier of (1) actual receipt or three days after mailing if mailed postage prepaid by regular or airmail to the Company or the Holder or (2) one day after it is sent by overnight mail via nationally recognized courier or (3) on the same day as sent via confirmed e-mail or facsimile transmission, provided that the original is sent by personal delivery or mail by the sending party. Address for such notice will be provided by each party to the other under separate cover.

13. Miscellaneous.

(a) This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder and their successors and assigns.

(b) All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of Minnesota, without regard to the principles of conflicts of law thereof.

(c) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(d) In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(e) Prior to exercise of this Warrant, the Holder hereof shall not, by reason of being a Holder, be entitled to any rights of a stockholder with respect to the Warrant Shares.

14. 19.999% Blocker. Notwithstanding anything to the contrary contained herein, the number of Warrant Shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such Holder and its affiliates (as defined under Rule 144, “*Affiliates*”) and any other persons whose beneficial ownership of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Securities Exchange Act of 1934, does not exceed 19.999% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable upon such exercise). For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9 of this Warrant. This restriction may not be waived without shareholder approval.

[Remainder of page intentionally left blank, signature page follows]

In witness whereof, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

IMEDIA BRANDS, INC.

By:

Landel Hobbs, *Chair of the Board*

EXERCISE NOTICE

The undersigned Holder hereby irrevocably elects to purchase _____ shares of Common Stock pursuant to the attached Warrant. Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

(1) The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

(2) The Holder intends that payment of the Exercise Price shall be made as (check one):

_____ “Cash Exercise” under Section 10

_____ “Cashless Exercise” under Section 10 (only in connection with Change of Control)

(3) If the holder has elected a Cash Exercise, the Holder shall pay the sum of \$_____ to the Company in accordance with the terms of the Warrant.

(4) Pursuant to this Exercise Notice, the Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

Dated _____, _____

Name of Holder:

(Print)

By: _____

Its: _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Warrant Shares Exercise Log

Date	Number of Warrant Shares Available to be Exercised	Number of Warrant Shares Exercised	Number of Warrant Shares Remaining to be Exercised

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the attached Warrant to purchase _____ shares of Common Stock to which such Warrant relates and appoints _____ attorney to transfer said right on the books of the Company with full power of substitution in the premises.

Dated: _____, _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Address of Transferee

Attest:

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATES. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. UNLESS SOLD PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

IMEDIA BRANDS, INC.

WARRANT

Warrant No. 2020A-[]

Original Issue Date:
[], 2020

IMEDIA BRANDS, INC., a Minnesota corporation (the “Company”), hereby certifies that, for value received, [] or its registered assigns (the “Holder”), is entitled to purchase from the Company up to a total of [] shares of Common Stock (each such share, a “Warrant Share” and all such shares, the “Warrant Shares”), at any time and from time to time from and after the Original Issue Date and through and including April 14, 2030 (the “Expiration Date”), and subject to the following terms and conditions:

1. Definitions. As used in this Warrant, the following terms shall have the respective definitions set forth in this Section. Capitalized terms that are used and not defined in this Warrant that are defined in the Purchase Agreement (as defined below) shall have the respective definitions set forth in the Purchase Agreement.

“Closing Price” means, for any date of determination, the price determined by the first of the following clauses that applies: (i) if the Common Stock is then listed or quoted on a Trading Market, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) on such market; (ii) if prices for the Common Stock are then quoted on the OTC Bulletin Board, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; (iii) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported; or (iv) in all other cases, the fair market value of a share of Common Stock as determined by an independent qualified appraiser selected in good faith and paid for by the Company.

“Common Stock” means the common stock of the Company, par value \$.01 per share, and any securities into which such common stock may hereafter be reclassified.

“Exercise Price” means \$0.001, subject to adjustment in accordance with Section 9.

“Fundamental Transaction” means any of the following: (i) the Company effects any merger or consolidation of the Company with or into another person, (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or another person pursuant to an agreement with the Company) is completed pursuant to which all holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property and the holders of at least 50% of the then outstanding Common Stock tender their shares of Common Stock, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property.

“*Original Issue Date*” means the Original Issue Date first set forth on the first page of this Warrant or its predecessor instrument.

“*Purchase Agreement*” means the Common Stock and Warrant Purchase Agreement, dated April 14, 2020, to which the Company and the original Holder are parties.

“*Trading Day*” means (i) a day on which the Common Stock is traded on a Trading Market (other than the OTC Bulletin Board), or (ii) if the Common Stock is not listed on a Trading Market (other than the OTC Bulletin Board), a day on which the Common Stock is traded in the over-the-counter market, as reported by the OTC Bulletin Board, or (iii) if the Common Stock is not quoted on any Trading Market, a day on which the Common Stock is quoted in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or any similar organization or agency succeeding to its functions of reporting prices); provided, that in the event that the Common Stock is not listed or quoted as set forth in clauses (i), (ii) and (iii) hereof, then Trading Day shall mean a Business Day.

“*Trading Market*” means whichever of the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or the OTC Bulletin Board on which the Common Stock is listed or quoted for trading on the date in question.

2. Registration of Warrant. The Company shall register this Warrant upon records to be maintained by the Company for that purpose (the “*Warrant Register*”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. Registration of Transfers. The Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto duly completed and signed and such other documents as described in the Purchase Agreement, to the Company at its address specified herein. Upon any such registration or transfer, a new Warrant to purchase Common Stock, in substantially the form of this Warrant (any such new Warrant, a “*New Warrant*”), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.

4. Exercise and Duration of Warrants.

(a) This Warrant shall be exercisable by the registered Holder in whole at any time and in part from time to time from the Original Issue Date through and including the Expiration Date. At 5:30 p.m., Central time on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value.

(b) Notwithstanding anything to the contrary set forth in this Warrant, in the event of a Change of Control, (i) at Company's sole option unless (ii) the Change of Control results in the Company no longer having a class of securities registered under Section 12 or Section 15 of the Securities Exchange Act of 1934 in which case such determination shall be made automatically, the Holder shall surrender this Warrant in exchange for a number of shares of Company's securities, such number of securities being equal to the maximum number of securities issuable pursuant to the terms hereof (after taking into account all adjustments described herein) had the Holder elected to exercise this Warrant immediately prior to the closing of such Change of Control and purchased all such shares pursuant to the cashless exercise provision set forth in Section 10(b) (as opposed to the cash exercise provision set forth in Section 10(a)). The Company acknowledges and agrees that the Holder shall not be required to make any additional payment (cash or otherwise) for such shares as further consideration for their issuance in exchange for the Holder's surrender of this Warrant pursuant to the terms of the preceding sentence. A "Change of Control" shall be deemed to occur if the Company shall (a) sell, lease, convey, or otherwise dispose of (including without limitation the grant of an exclusive license to) all or substantially all of the Company's intellectual property or assets as an entirety or substantially as an entirety to any person, entity or group of persons acting in concert, (b) effect a merger, consolidation or reorganization in which the Company is not the surviving entity and the stockholders of the Company immediately prior to the merger, consolidation or reorganization fail to possess direct or indirect ownership of more than 50% of the voting power of the securities of the surviving entity immediately following such transaction (other than a merger or consolidation with a wholly-owned subsidiary, a reincorporation of the Company, or other transaction in which there is no substantial change in the stockholders of the Company or their relative stock holdings), or (c) effect a merger, consolidation or reorganization in which the Company is the surviving corporation and the stockholders of the Company immediately prior to the merger, consolidation or reorganization fail to possess direct or indirect ownership of more than 50% of the securities of the Company immediately following such transaction.

5. Delivery of Warrant Shares.

(a) To effect exercises hereunder, the Holder shall not be required to physically surrender this Warrant unless the aggregate Warrant Shares represented by this Warrant are being exercised. Upon delivery of the Exercise Notice (in the form attached hereto) to the Company (with the attached Warrant Shares Exercise Log) at its address for notice set forth herein and upon payment of the Exercise Price multiplied by the number of Warrant Shares that the Holder intends to purchase hereunder, the Company shall promptly (but in no event later than two Trading Days after the Date of Exercise (as defined herein)) issue and deliver to the Holder, a certificate for the Warrant Shares issuable upon such exercise. A "Date of Exercise" means each of (A) the date of a Change of Control and (B) the date on which the Holder shall have delivered to the Company: (i) the Exercise Notice (with the Warrant Exercise Log attached to it), appropriately completed and duly signed and (ii) payment of the Exercise Price for the number of Warrant Shares so indicated by the Holder to be purchased.

(b) If by the third Trading Day after a Date of Exercise the Company fails to deliver the required number of Warrant Shares in the manner required pursuant to Section 5(a), then the Holder will have the right to rescind such exercise.

6. **Charges, Taxes and Expenses.** Issuance and delivery of Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. **Replacement of Warrant.** If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity (which shall not include a surety bond), if requested. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. Reservation of Warrant Shares. The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of Persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable.

9. Certain Adjustments. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding, (i) pays a stock dividend on its Common Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock, (ii) subdivides outstanding shares of Common Stock into a larger number of shares, or (iii) combines outstanding shares of Common Stock into a smaller number of shares, then in each such case the Exercise Price shall be adjusted to equal the product obtained by multiplying the then-current Exercise Price by a fraction of which the numerator shall be the number of shares of Common Stock outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, and any adjustment pursuant to clause (ii) or (iii) of this paragraph shall become effective immediately after the effective date of such subdivision or combination.

(b) Fundamental Transactions. If, at any time while this Warrant is outstanding there is a Fundamental Transaction, then the Holder shall have the right thereafter to receive, upon exercise of this Warrant, the same amount and kind of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of the number of Warrant Shares then issuable upon exercise in full of this Warrant (the "*Alternate Consideration*"). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. Any successor to the Company or surviving entity in such Fundamental Transaction shall issue to the Holder a new warrant substantially in the form of this Warrant and consistent with the foregoing provisions and evidencing the Holder's right to purchase the Alternate Consideration for the aggregate Exercise Price upon exercise thereof.

(c) Number of Warrant Shares. Simultaneously with any adjustment to the Exercise Price pursuant to this Section, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the adjusted number of Warrant Shares shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(d) Calculations. All calculations under this Section shall be made to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(e) Notice of Adjustments. Upon the occurrence of each adjustment pursuant to this Section, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant Shares or other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Company's Transfer Agent.

10. Payment of Exercise Price. The Holder may pay the Exercise Price in one of the following manners:

(a) Cash Exercise. The Holder may deliver immediately available funds; or

(b) Cashless Exercise. Solely pursuant to a Company Exercise, the Company shall issue to the Holder the number of Warrant Shares determined as follows:

$$X = Y [(A-B)/A]$$

where:

X = the number of Warrant Shares to be issued to the Holder.

Y = the number of Warrant Shares with respect to which this Warrant is being exercised.

A = the average of the Closing Prices for the five Trading Days immediately prior to (but not including) the Exercise Date.

B = the Exercise Price.

11. No Fractional Shares. No fractional shares of Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares which would, otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the Closing Price of one Warrant Share on the date of exercise.

12. Notices. Any notice required or permitted under this Warrant (including, without limitation, any Exercise Notice) shall be given in writing and shall be deemed effectively given upon the earlier of (1) actual receipt or three days after mailing if mailed postage prepaid by regular or airmail to the Company or the Holder or (2) one day after it is sent by overnight mail via nationally recognized courier or (3) on the same day as sent via confirmed e-mail or facsimile transmission, provided that the original is sent by personal delivery or mail by the sending party. Address for such notice will be provided by each party to the other under separate cover.

13. Miscellaneous.

(a) This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder and their successors and assigns.

(b) All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of Minnesota, without regard to the principles of conflicts of law thereof.

(c) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(d) In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(e) Prior to exercise of this Warrant, the Holder hereof shall not, by reason of being a Holder, be entitled to any rights of a stockholder with respect to the Warrant Shares.

14. 19.999% Blocker. Notwithstanding anything to the contrary contained herein, the number of Warrant Shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such Holder and its affiliates (as defined under Rule 144, “*Affiliates*”) and any other persons whose beneficial ownership of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Securities Exchange Act of 1934, does not exceed 19.999% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable upon such exercise). For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9 of this Warrant. This restriction may not be waived without shareholder approval.

[Remainder of page intentionally left blank, signature page follows]

In witness whereof, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

IMEDIA BRANDS, INC.

By:

Landel Hobbs, *Chair of the Board*

EXERCISE NOTICE

The undersigned Holder hereby irrevocably elects to purchase _____ shares of Common Stock pursuant to the attached Warrant. Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

(1) The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

(2) The Holder intends that payment of the Exercise Price shall be made as (check one):

_____ “Cash Exercise” under Section 10

_____ “Cashless Exercise” under Section 10 (only in connection with Change of Control)

(3) If the holder has elected a Cash Exercise, the Holder shall pay the sum of \$_____ to the Company in accordance with the terms of the Warrant.

(4) Pursuant to this Exercise Notice, the Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

Dated _____, _____

Name of Holder:

(Print)

By: _____

Its: _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Warrant Shares Exercise Log

Date	Number of Warrant Shares Available to be Exercised	Number of Warrant Shares Exercised	Number of Warrant Shares Remaining to be Exercised

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the attached Warrant to purchase _____ shares of Common Stock to which such Warrant relates and appoints _____ attorney to transfer said right on the books of the Company with full power of substitution in the premises.

Dated: _____, _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Address of Transferee

Attest:

**IMEDIA BRANDS, INC.
COMMON STOCK AND WARRANT PURCHASE AGREEMENT**

This Common Stock and Warrant Purchase Agreement (this “*Agreement*”) is made as of April 14, 2020 by and between **iMEDIA BRANDS, INC.**, a Minnesota corporation with its principal office at 6740 Shady Oak Road, Eden Prairie, MN 55344-3433 (the “*Company*”), and those purchasers listed on the attached Exhibit A, as such exhibit may be amended from time to time (each a “*Purchaser*”, and collectively, the “*Purchasers*”).

RECITALS

A. The Company has authorized the sale and issuance of up to 1,958,384 shares (the “*Shares*”) of the common stock of the Company, \$0.01 par value per share (the “*Common Stock*”), and warrants to purchase 979,190 shares of Common Stock to the Purchasers in a private placement (the “*Offering*”).

B. Pursuant to Section 4(a)(2) of the Securities Act of 1933 (the “*Securities Act*”) and Rule 506 promulgated thereunder, the Company desires to sell to the Purchasers listed on the attached Exhibit A, as such exhibit may be amended from time to time, and such Purchasers, severally and not jointly, desire to purchase from the Company that aggregate number of shares of Common Stock set forth opposite such Purchaser’s name on Exhibit A, and warrants to purchase that aggregate number of shares of Common Stock set forth opposite such Purchaser’s name on Exhibit A on the terms and subject to the conditions set forth in this Agreement.

TERMS AND CONDITIONS

Now, therefore, in consideration of the foregoing recitals and the mutual covenants and agreements contained herein, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. Purchase of the Securities.

1.1 Agreement to Sell and Purchase. At the Closings (as hereinafter defined), the Company will issue and sell to each of the Purchasers, and each Purchaser will, severally and not jointly, purchase from the Company, the number of Shares and warrants to purchase Common Stock of the Company (the “*Warrants*” and together with the Shares, the “*Securities*”) set forth opposite such Purchaser’s name on Exhibit A for an aggregate purchase price set forth opposite such Purchaser’s name on Exhibit A (the “*Purchase Price*”). The Warrants shall be in the form set forth hereto as Exhibit B.

1.2 Limitation on Shares. The Company will not deliver Shares, and the Purchaser will not have the right to receive Shares, to the extent that the Purchaser (individually or together with any other person or entity with whom such Purchaser has identified, or will have identified, itself at the time as part of a “group” in a public filing, or amendment thereto, made with the Securities and Exchange Commission (the “*SEC*”) involving the Company’s securities) acquiring, or obtaining the right to acquire, in excess of 19.999% (the “*Maximum Percentage*”) of the outstanding shares of Common Stock or voting power of the Company on a post-transaction basis that assumes that the Initial Closing (as hereinafter defined) or Subsequent Closing (as hereinafter defined), as applicable, shall have occurred. Such shares in excess of the Maximum Percentage are hereinafter referred to as “*Excess Shares*”). For purposes of this Section 1.2, the aggregate number of shares of Common Stock owned by such Purchaser and its affiliates will include the number of shares of Common Stock to be issued in the Initial Closing or Subsequent Closing, as applicable, to this Agreement with respect to which the determination is being made, but will exclude shares of Common Stock that are issuable (i) pursuant to any future Closings under this Agreement and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by such Purchaser and its affiliates (including, without limitation, any convertible notes or convertible preferred stock or warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein. The provisions of this Section 1.2 and analogous provision in the Warrants shall be construed and implemented in a manner otherwise than in strict conformity with its text to correct this Section 1.2 (or any portion hereof or analogous provision) that may be defective or inconsistent with the intended maximum ownership limitation contained herein or to make changes or supplements necessary or desirable to properly give effect to such limitation.

To the extent any Shares are unable to be delivered pursuant to Section 1.2, the Company will issue to such Purchaser one or more warrants to purchase a number of shares of Common Stock of the Company equal to the number of Excess Shares at an exercise price equal to \$0.001 per share. Any such substitute Warrants shall be in the form set forth hereto as Exhibit C.

1.3 Closings; Closing Dates. The initial completion of the sale and purchase of the Securities (the “*Initial Closing*”) shall be held at 8:00 a.m. (Central Time) as soon as practicable following the satisfaction of the conditions set forth in Section 4 (the “*Initial Closing Date*”), at the offices of Faegre Drinker Biddle & Reath LLP, 2200 Wells Fargo Center, 90 S. 7th Street, Minneapolis, MN 55402-3901 or at such other time and other place as the Company and Purchasers may mutually agree. Each subsequent sale and purchase of the Securities (each, a “*Subsequent Closing*” and together with the Initial Closing, the “*Closings*”) shall be held at dates and times mutually agreed by the Purchasers and the Company as soon as practicable following the satisfaction of the conditions set forth in Section 4 (each, a “*Subsequent Closing Date*,” and together with the Initial Closing Date, each, a “*Closing Date*”), at the offices of Faegre Drinker Biddle & Reath LLP, 2200 Wells Fargo Center, 90 S. 7th Street, Minneapolis, MN 55402-3901 or at such other place as the Company and Purchasers may mutually agree; provided, that in no event shall a Closing for Securities occur following the respective dates set forth on Exhibit A.

1.4 Delivery of the Shares. At each of the Closings, subject to the terms and conditions hereof, the Company will deliver to each Purchaser a stock certificate or certificates or evidence of book entry notation and Warrant or Warrants, in such denominations and registered in such names as such Purchaser may designate by notice to the Company, representing the Securities, dated as of the Closing Date (each a “*Certificate*”), against payment of the purchase price therefor by cash in the form of wire transfer, unless other means of payment shall have been agreed upon by the Purchasers and the Company.

2. Representations and Warranties of the Company. As of the date hereof and the date of each of the Closings, as applicable, the Company hereby represents and warrants to each Purchaser:

2.1 Authorization. All corporate action on the part of the Company, its officers, directors and shareholders necessary for the authorization, execution and delivery of this Agreement has been taken. The Company has the requisite corporate power to enter into this Agreement and carry out and perform its obligations under the terms of this Agreement. At the Closings, the Company will have the requisite corporate power to issue and sell the Securities and the Common Stock issuable upon exercise of the Warrants (the “*Warrant Shares*”). This Agreement has been duly authorized, executed and delivered by the Company and, upon due execution and delivery by the Purchasers, this Agreement will be a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally or by equitable principles.

2.2 No Conflict with Other Instruments. The execution, delivery and performance of this Agreement, the issuance and sale of the Securities to be sold by the Company under this Agreement, the issuance of the Warrant Shares upon exercise of the Warrants and the consummation of the actions contemplated by this Agreement (which for all purposes herein shall include exercise of the Warrants) will not (A) result in any violation of, be in conflict with, or constitute a default under, with or without the passage of time or the giving of notice: (i) any provision of the Company’s or its subsidiaries’ Articles of Incorporation or Bylaws as in effect on the date hereof or at the applicable Closing Date; (ii) any provision of any judgment, arbitration ruling, decree or order to which the Company or its subsidiaries are a party or by which they are bound; (iii) any bond, debenture, note or other evidence of indebtedness, or any lease, contract, mortgage, indenture, deed of trust, loan agreement, joint venture or other agreement, instrument or commitment to which the Company or any subsidiary is a party or by which they or their respective properties are bound; or (iv) any statute, rule, law or governmental regulation applicable to the Company; or (B) result in the creation or imposition of any lien, encumbrance, claim, security interest or restriction whatsoever upon any of the properties or assets of the Company or any subsidiary or any acceleration of indebtedness pursuant to any obligation, agreement or condition contained in any bond, debenture, note or any other evidence of indebtedness or any indenture, mortgage, deed of trust or any other agreement or instrument to which the Company or any subsidiary are a party or by which they are bound or to which any of the property or assets of the Company or any subsidiary is subject. No consent, approval, authorization or other order of, or registration, qualification or filing with, any regulatory body, administrative agency, or other governmental body is required for the execution and delivery of this Agreement by the Company and the valid issuance or sale of the Securities by the Company pursuant to this Agreement, other than such as have been made or obtained and that remain in full force and effect, and except for the filing of a Form D, any filings required to be made under state securities laws and filings with the Nasdaq Capital Market.

2.3 Articles of Incorporation; Bylaws. The Company has made available to the Purchasers true, correct and complete copies of the Articles of Incorporation and Bylaws of the Company, as in effect on the date hereof.

2.4 Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Minnesota and has all requisite corporate power and authority to carry on its business as now conducted. The Company and each of its subsidiaries has full power and authority to own, operate and occupy its properties and to conduct its business as presently conducted and is duly qualified to transact business and is in good standing in each jurisdiction in which the failure so to qualify would have a material adverse effect on its or its subsidiaries' business, financial condition, properties, operations, prospects or assets or its ability to perform its obligations under this Agreement (a "*Material Adverse Effect*").

2.5 SEC Filings. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Act and the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "*Company SEC Documents*") on a timely basis or has received a valid extension of such time of filing and has filed any such Company SEC Documents prior to the expiration of any such extension, except for those filings made pursuant to Section 16 of the Exchange Act. As of their respective dates, the Company SEC Documents complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the Company SEC Documents, when filed, 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 the light of the circumstances under which they were made, not misleading. Further, the consolidated financial statements contained in the Company SEC Documents: (i) complied as to form in all material respects with the published rules and regulations of the SEC applicable thereto and were timely filed; (ii) the information contained therein as of the respective dates thereof did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein in light of the circumstances under which they were made not misleading; (iii) were prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods covered, except as may be indicated in the notes to such financial statements and (in the case of unaudited statements) as permitted by Form 10-Q of the SEC, and except that unaudited financial statements may not contain footnotes and are subject to year-end audit adjustments; and (iv) fairly present the consolidated financial position of the Company and its subsidiaries as of the respective dates thereof and the consolidated results of operations and the changes in shareholders' equity of the Company and its subsidiaries for the periods covered thereby.

2.6 Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act nor has the Company received any notification that the SEC is contemplating terminating such registration. Except as set forth on Schedule 2.6, the Company has not, in the 12 months preceding the date hereof, received notice from any listing exchange including the Nasdaq Capital Market on which the Common Stock is or has been listed or quoted to the effect that the Company is not in compliance with such listing or maintenance requirements. Except as set forth on Schedule 2.6, the Company has no reason to believe that it will not, upon issuance of the Securities, be in compliance with all such listing and maintenance requirements. The Common Stock is currently eligible for electronic transfer through the Depository Trust Company or another established clearing corporation and the Company is current in payment of the fees to the Depository Trust Company (or such other established clearing corporation) in connection with such electronic transfer. The issuance of the Securities hereunder does not contravene the rules of the Nasdaq Capital Market.

2.7 Subsidiaries. Except as set forth in the Company SEC Documents, the Company does not presently own or control, directly or indirectly, and has no stock or other interest as owner or principal in, any other corporation or partnership, joint venture, association or other business venture or entity with material operations (each a “*subsidiary*”). Each subsidiary is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization and has all requisite power and authority to carry on its business as now conducted. Each subsidiary is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a material adverse effect on its business or properties. All of the outstanding capital stock or other securities of each subsidiary is owned by the Company, directly or indirectly, free and clear of any liens, claims, or encumbrances.

2.8 Valid Issuance of Securities. The Securities and the Warrant Shares are duly authorized and, when issued, sold and delivered in accordance with the terms hereof or the Warrants, as the case may be, will be duly and validly authorized and issued, fully paid and nonassessable, free from all taxes, liens, claims, encumbrances and charges with respect to the issue thereof; provided, however, that the Securities and the Warrant Shares may be subject to restrictions on transfer under state and/or federal securities laws or as otherwise set forth herein. The issuance, sale and delivery of the Securities and the Warrant Shares in accordance with the terms hereof or the Warrant, as the case may be, will not be subject to preemptive rights of shareholders of the Company. The Shares and the Warrant Shares, upon exercise of the Warrant, have been duly reserved for issuance from the Company’s duly authorized capital stock.

2.9 Offering. Assuming the accuracy of the representations of the Purchasers in Section 3.3 of this Agreement on the date hereof, on the applicable Closing Date and solely as this Section relates to the issue and sale of the Warrant Shares on the date(s) of exercise of the Warrant, the offer, issue and sale of the Securities and issuance of the Warrant Shares upon exercise of the Warrant (assuming no change in applicable law prior to the date the Warrant Shares are issued), are and will be exempt from the registration and prospectus delivery requirements of the Securities Act and have been or will be registered or qualified (or are or will be exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities laws. Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf, has directly or indirectly made any offers or sales of any security or solicited any offers to buy any security under circumstances that would require registration under the Securities Act of the issuance of the Securities to the Purchasers or the issuance of the Warrant Shares upon exercise of the Warrants. Other than the Company SEC Documents, the Company has not distributed and will not distribute prior to the applicable Closing Date any offering material in connection with the offering and sale of the Securities or Warrant Shares. The Company has not taken any action to sell, offer for sale or solicit offers to buy any securities of the Company which would bring the offer, issuance or sale of the Securities or the issuance of the Warrant Shares upon exercise of the Warrants, within the provisions of Section 5 of the Securities Act, unless such offer, issuance or sale was or shall be within the exemptions of Section 4 of the Securities Act.

2.10 Litigation. Except as set forth in the Company SEC Documents or Schedule 2.10, there is no action, suit, proceeding nor investigation pending or, to the Company's knowledge, currently threatened against the Company or any of its subsidiaries that would be required to be disclosed in the Company's Annual Report on Form 10-K under the requirements of Item 103 of Regulation S-K. The foregoing includes, without limitation, any action, suit, proceeding or investigation, pending or threatened, that questions the validity of this Agreement or the right of the Company to enter into such Agreement and perform its obligations hereunder. Except as set forth on Schedule 2.10, neither the Company nor any subsidiary is subject to any injunction, judgment, decree or order of any court, regulatory body, arbitral panel, administrative agency of other government body.

2.11 Governmental Consents. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state, local or provincial governmental authority on the part of the Company is required in connection with the consummation of the transactions contemplated by this Agreement, except for notices required or permitted to be filed with certain state and federal securities commissions, which notices will be filed on a timely basis.

2.12 No General Solicitation. Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D promulgated under the Securities Act) in connection with the offer or sale of the Securities. "*Affiliates*" has the meaning given to it in Rule 12b-2 under the Securities Exchange Act of 1934.

2.13 No "Bad Actor" Disqualification. The Company has exercised reasonable care, in accordance with SEC rules and guidance, and has conducted a factual inquiry, the nature and scope of which reflect reasonable care under the relevant facts and circumstances, to determine whether any Covered Person (as defined below) is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act ("*Disqualification Events*"). To the Company's knowledge, after conducting such sufficiently diligent factual inquiries, no Covered Person is subject to a Disqualification Event, except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) under the Securities Act. The Company has complied, to the extent applicable, with any disclosure obligations under Rule 506(e) under the Securities Act. "*Covered Persons*" are those persons specified in Rule 506(d)(1) under the Securities Act, including the Company; any predecessor or Affiliate of the Company; any director, executive officer, other officer participating in the offering, general partner or managing member of the Company; any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power; any promoter (as defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of the sale of the Shares; and any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of the Shares (a "*Solicitor*"), any general partner or managing member of any Solicitor, and any director, executive officer or other officer participating in the offering of any Solicitor or general partner or managing member of any Solicitor.

3. Representations and Warranties of the Purchasers. As of the date hereof and the date of each of the Closings, as applicable, each Purchaser, severally and not jointly, hereby represents and warrants to the Company as follows:

3.1 Legal Power. Each Purchaser has the requisite authority to enter into this Agreement and to carry out and perform its obligations under the terms of this Agreement. All action on each Purchaser's part required for the lawful execution and delivery of this Agreement have been or will be effectively taken prior to the applicable Closing Date.

3.2 Due Execution. This Agreement has been duly authorized, executed and delivered by each Purchaser, and, upon due execution and delivery by the Company, this Agreement will be a valid and binding agreement of each Purchaser, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally or by equitable principles.

3.3 Investment Representations. In connection with the sale and issuance of the Securities and Warrant Shares, each Purchaser, for itself and no other Purchaser, makes the following representations:

(a) **Investment for Own Account.** Each Purchaser is acquiring the Securities and the Warrant Shares for its own account, not as nominee or agent, and not with a view to, or for resale in connection with, any distribution or public offering thereof within the meaning of the Securities Act; provided, however, that by making the representations herein, each Purchaser does not agree to hold any of the Securities for any minimum or specific term and reserves the right to dispose of the securities at any time in accordance with or pursuant to a registration statement or an exemption from the registration requirements of the Securities Act.

(b) **Transfer Restrictions; Legends.** Each Purchaser understands that (i) the Securities and Warrant Shares have not been registered under the Securities Act; (ii) the Securities and Warrant Shares are being offered and sold pursuant to an exemption from registration, based in part upon the Company's reliance upon the statements and representations made by each Purchaser in this Agreement, and that the Securities and Warrant Shares must be held by each Purchaser indefinitely, and that each Purchaser must, therefore, bear the economic risk of such investment indefinitely, unless a subsequent disposition thereof is registered under the Securities Act or is exempt from such registration; (iii) each Certificate representing the Securities and Warrant Shares will be endorsed with the following legend until the earlier of (1) in the case of the Shares and Warrant Shares, such date as the Shares or Warrant Shares, as the case may be, have been registered for resale by each Purchaser or (2) the date the Shares, the Warrants or the Warrant Shares, as the case may be, are eligible for sale under Rule 144 under the Securities Act without limitations:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "*SECURITIES ACT*"), OR UNDER THE SECURITIES LAWS OF ANY STATES. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. UNLESS SOLD PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

(iv) the Company will instruct any transfer agent not to register the transfer of the Securities or Warrant Shares (or any portion thereof) until the applicable date set forth in clause (iii) above unless the conditions specified in the foregoing legends are satisfied or, if the opinion of counsel referred to above is to the further effect that such legend is not required in order to establish compliance with any provisions of the Securities Act or this Agreement, or other satisfactory assurances of such nature are given to the Company.

Each Purchaser, severally and not jointly with the other Purchasers, agrees that the removal of the restrictive legend from certificates representing Securities as set forth in this Section 3.3(b) is predicated upon the Company's reliance that each Purchaser will sell any Securities pursuant to either the registration requirements of the Securities Act, including any applicable prospectus delivery requirements, or an exemption therefrom.

(c) **Financial Sophistication; Due Diligence.** Each Purchaser has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in connection with the transactions contemplated in this Agreement. Such Purchaser has, in connection with its decision to purchase the Securities, relied only upon the representations and warranties contained herein and the information contained in the Company SEC Documents. Further, each Purchaser has had such opportunity to obtain additional information and to ask questions of, and receive answers from, the Company, concerning the terms and conditions of the investment and the business and affairs of the Company, as each Purchaser considers necessary in order to form an investment decision.

(d) **Accredited Investor Status.** Each Purchaser is an “accredited investor” as such term is defined in Rule 501(a) of the rules and regulations promulgated under the Securities Act and has provided a questionnaire as requested by the Company to document such status.

(e) **Residency.** Each Purchaser is organized under the laws of or resident in the state set forth beneath such Purchaser’s name on the signature page attached hereto, and its principal place of operations (if applicable) is in the state set forth beneath such Purchaser’s name on the signature page attached hereto.

(f) **General Solicitation.** Each Purchaser is not purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over the television or radio or presented at any seminar or any other general solicitation or general advertisement. Prior to the time that each Purchaser was first contacted by the Company such Purchaser had a pre-existing and substantial relationship with the Company.

3.4 No Investment, Tax or Legal Advice. Each Purchaser understands that nothing in the Company SEC Documents, this Agreement, or any other materials presented to each Purchaser in connection with the purchase and sale of the Securities constitutes legal, tax or investment advice. Each Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of Securities.

3.5 Additional Acknowledgement. Each Purchaser acknowledges that it has independently evaluated the merits of the transactions contemplated by this Agreement, that it has independently determined to enter into the transactions contemplated hereby, that it is not relying on any advice from or evaluation by any other person.

3.6 No Short Position. As of the date hereof, and as of the applicable Closing Date, each Purchaser acknowledges and agrees that it does not and will not (between the date hereof and the final Closing Date) engage in any short sale regarding the Company’s voting stock or any other type of hedging transaction involving the Company’s securities (including, without limitation, depositing shares of the Company’s securities with a brokerage firm where such securities are made available by the broker to other customers of the firm for purposes of hedging or short selling the Company’s securities).

4. Conditions to Closing.

4.1 Conditions to Obligations of Purchasers at Closing. Each Purchaser’s obligation to purchase the Securities at each of the Closings is subject to the fulfillment to that Purchaser’s reasonable satisfaction, on or prior to each Closing Date, of all of the following conditions, any of which may be waived by the Purchaser:

(a) **Representations and Warranties True; Performance of Obligations.** The representations and warranties made by the Company in Section 2 shall be true and correct in all respects on the applicable Closing Date with the same force and effect as if they had been made on and as of said date and the Company shall have performed and complied with all obligations and conditions herein required to be performed or complied with by it on or prior to the applicable Closing Date and a certificate duly executed by an officer of the Company, to the effect of the foregoing, shall be delivered to the Purchasers. For purposes of this Section 4.1(a), the Company shall be permitted to update the disclosure schedules to this Agreement prior to each Subsequent Closing Date and if the representations and warranties are true and correct in all respects with such updates, the representations and warranties made by the Company in Section 2 shall be true and correct in all respects on such Subsequent Closing Date.

(b) **Proceedings and Documents.** All corporate and other proceedings in connection with the transactions contemplated at each of the Closings and all documents and instruments incident to such transactions shall be reasonably satisfactory in substance and form to counsel to the Purchaser, and counsel to the Purchaser shall have received all such counterpart originals or certified or other copies of such documents as they may reasonably request. The Company shall have delivered (or caused to have been delivered) to each Purchaser, the certificates required by this Agreement. The Warrant Shares shall have been duly authorized and reserved for issuance upon exercise of the Warrant.

(c) **Qualifications, Legal Investment.** All authorizations, approvals, or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful sale and issuance of the Securities and Warrant Shares shall have been duly obtained and shall be effective on and as of the applicable Closing Date. No stop order or other order enjoining the sale of the Securities or Warrant Shares shall have been issued and no proceedings for such purpose shall be pending or, to the knowledge of the Company, threatened by the SEC, or any commissioner of corporations or similar officer of any state having jurisdiction over this transaction. At the time of each of the Closings, the sale and issuance of the Securities and Warrant Shares shall be legally permitted by all laws and regulations to which Purchasers and the Company are subject. No litigation, statute, rule, regulation, executive order, decree, ruling or injunction will have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

(d) **Execution of Agreements.** The Company shall have executed this Agreement and have delivered this Agreement to the Purchasers.

(e) **Trading and Listing.** Trading and listing of the Company's common stock on the Nasdaq Capital Market shall not have been suspended by the SEC or the Nasdaq Capital Market.

(f) **Blue Sky.** The Company shall have obtained all necessary "blue sky" law permits and qualifications, or have the availability of exemptions therefrom, required by any state for the offer and sale of the Securities and issuance of the Warrant Shares upon exercise of the Warrant.

(g) **Secretary's Certificate.** The Company shall have delivered to the Purchasers a certificate of the Secretary of the Company certifying as to the truth and accuracy of the resolutions of the board of directors relating to the transaction contemplated hereby (a copy of which shall be included with such certificate).

4.2 Conditions to Obligations of the Company. The Company's obligation to issue and sell the Securities at each of the Closings is subject to the fulfillment to the Company's reasonable satisfaction, on or prior to each Closing Date, of all of the following conditions, any of which may be waived by the Company:

(a) **Representations and Warranties True.** The representations and warranties made by the Purchasers in Section 3 shall be true and correct in all material respects on the applicable Closing Date with the same force and effect as if they had been made on and as of said date.

(b) Performance of Obligations. The Purchasers shall have performed and complied with all agreements and conditions herein required to be performed or complied with by them on or before each of the Closings. The Purchasers shall have delivered the Purchase Price, by wire transfer, to the account designated by the Company for such purpose.

(c) Qualifications, Legal Investment. All authorizations, approvals, or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful sale and issuance of the Securities and Warrant Shares shall have been duly obtained and shall be effective on and as of the applicable Closing Date. No stop order or other order enjoining the sale of the Securities or Warrant Shares shall have been issued and no proceedings for such purpose shall be pending or, to the knowledge of the Company, threatened by the SEC, or any commissioner of corporations or similar officer of any state having jurisdiction over this transaction. At the time of each of the Closings, the sale and issuance of the Securities and the Warrant Shares shall be legally permitted by all laws and regulations to which the Purchasers and the Company are subject. No litigation, statute, rule, regulation, executive order, decree, ruling or injunction will have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

(d) Execution of Agreements. The Purchasers shall have executed this Agreement and delivered this Agreement to the Company.

(e) Material Adverse Change. Since the date of this Agreement, there shall not have occurred any event which results in a Material Adverse Effect as of the Initial Closing Date.

5. Additional Covenants.

5.1 Form D and State Securities Filings. The Company will file with the SEC a Notice of Sale of Securities on Form D with respect to the Securities, as required under Regulation D under the Securities Act, no later than 15 days after the Initial Closing. The Company will promptly and timely file all documents and pay all filing fees required by any states' securities laws in connection with the sale of Securities.

5.2 Limitation on Transfer.

(a) "*Restricted Securities*" means (i) the Shares, the Warrants, the Warrant Shares and (ii) any other shares of capital stock of the Company issued in respect of such Shares or Warrant Shares (as a result of stock splits, stock dividends, reclassifications, recapitalizations or similar events) or securities issued in respect of such Warrants; provided, however, that securities that are Restricted Securities shall cease to be Restricted Securities upon any sale pursuant to an effective registration statement under the Securities Act or pursuant to Rule 144 or another exemption available under the Securities Act. In no event may the Restricted Securities be sold or transferred unless either (A) they first shall have been registered under the Securities Act or (B) the Company shall have been furnished with an opinion of legal counsel, reasonably satisfactory to the Company, to the effect that such sale or transfer is exempt from the registration requirements of the Securities Act.

(b) Notwithstanding any other provision herein to the contrary, (1) a Purchaser shall not sell, transfer, assign, donate, pledge or otherwise dispose of the Restricted Securities until April 17, 2021, and (2) a Purchaser shall not at any time, directly or indirectly, sell, transfer or otherwise dispose of any Restricted Securities when Purchaser is in possession of material non-public information about the Company.

(c) Any certificate representing Restricted Securities shall bear a legend substantially in the following form:

The securities represented hereby are subject to a restriction on transfer contained in a Common Stock and Warrant Purchase Agreement, dated as of April 14, 2020. A copy of the agreement is available at the Company's principal executive offices.

(d) Each Purchaser acknowledges and agrees that the Company, in its discretion, may cause stop transfer orders to be placed with its transfer agent with respect to the Restricted Securities in order to facilitate the transfer restrictions referred to in this Section. The Company shall remove the legend from the certificates representing any Restricted Securities at the request of the holder thereof at such time as they are sold pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act in compliance with this Section.

(e) No Purchaser shall engage, directly or indirectly, in any short sales with respect to the Common Stock of the Company until July 11, 2021.

5.3 Standstill Agreement.

(a) Each Purchaser agrees that, from the date of this Agreement until May 2, 2022 (the "*Standstill Period*"), without the prior written authorization or invitation of the Company's board of directors, neither it nor any of its Affiliates or Associates, will, and each Purchaser will cause each of its Affiliates and Associates not to, directly or indirectly, in any manner:

(i) publicly propose or publicly announce or otherwise publicly disclose an intent to propose or enter into or agree to enter into, singly or with any other person, directly or indirectly, (x) any form of business combination or acquisition or other transaction relating to a material amount of assets or securities of the Company or any of its subsidiaries, (y) any form of restructuring, recapitalization, or similar transaction with respect to the Company or any of its subsidiaries, or (z) any form of tender or exchange offer for the Common Stock, whether or not such transaction involves a change of control of the Company; provided, however, that this clause (i) shall not preclude the tender by any Purchaser of any securities of the Company into any tender or exchange offer not made, financed, or otherwise supported by the Purchaser or any Affiliate or Associate thereof or preclude the ability of any Purchaser to vote its shares of Common Stock for or against any transaction involving the Company's securities where the transaction is not proposed or sponsored by any Purchaser or any Affiliate or Associate thereof;

(ii) engage in any solicitation of proxies or written consents to vote any voting securities of the Company, or conduct any non-binding referendum with respect to any voting securities of the Company, or assist or participate (other than by determining how to vote their own shares) in any other way, directly or indirectly, in any solicitation of proxies or written consents with respect to any voting securities of the Company, or otherwise become a "participant" in a "solicitation," as such terms are defined in Instruction 3 of Item 4 of Schedule 14A and Rule 14a-1 of Regulation 14A, respectively, under the Securities Exchange Act of 1934, to vote any securities of the Company in opposition to any recommendation or proposal of the Company's board of directors;

(iii) except in Rule 144 open-market broker-sale transactions where the identity of the purchaser is not known and in underwritten widely-dispersed public offerings, sell, offer, or agree to sell directly or indirectly, through swap or hedging transactions or otherwise, the securities of the Company or any rights decoupled from the underlying securities held by the Purchasers to any person or entity not (A) a party to this Agreement, (B) a member of the Company's board of directors, (C) an officer of the Company, or (D) an Affiliate or Associate of the Purchasers (any person or entity not set forth in clauses (A)-(D) shall be referred to as a "*Third Party*") that would knowingly result in such Third Party, together with its Affiliates and Associates, owning, controlling or otherwise having any, beneficial, economic or other ownership interest representing in the aggregate in excess of 5% of the shares of Common Stock outstanding at such time;

(iv) engage in any short sale with respect to any security (other than a broad-based market basket or index) that includes, relates to, or derives any significant part of its value from a decline in the market price or value of the securities of the Company;

(v) except as otherwise set forth in this Agreement, take any action in support of or make any proposal or request that constitutes: (A) controlling, changing, or influencing the Company's board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any vacancies on the Company's board of directors, (B) any material change in the capitalization, stock repurchase programs and practices, or dividend policy of the Company, (C) any other material change in the Company's management, business, or corporate structure, (D) seeking to have the Company waive or make amendments or modifications to the Company's Articles of Incorporation or Bylaws, or other actions that may impede or facilitate the acquisition of control of the Company by any person, (E) causing a class of securities of the Company to be delisted from, or to cease to be authorized to be quoted on, any securities exchange; or (F) causing a class of securities of the Company to become eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934;

(vi) call or seek to call, or request the call of, alone or in concert with others, any meeting of shareholders, whether or not such a meeting is permitted by the Company's Articles of Incorporation or Bylaws, including a "town hall meeting";

(vii) publicly seek, alone or in concert with others, representation on the Company's board of directors, except as expressly permitted by this Agreement;

(viii) initiate, encourage or in any "vote no," "withhold," or similar campaign;

(ix) deposit any Common Stock in any voting trust or subject any Common Stock to any arrangement or agreement with respect to the voting of any Common Stock (other than any such voting trust, arrangement, or agreement solely among the members of the Purchaser that is otherwise in accordance with this Agreement);

(x) seek, or knowingly encourage any person, to submit nominations in furtherance of a "contested solicitation" for the election or removal of directors with respect to the Company or seek or knowingly encourage any action with respect to the election or removal of any directors of the Company or with respect to the submission of any shareholder proposals (including any submission of shareholder proposals pursuant to Rule 14a-8 under the Securities Exchange Act of 1934);

(xi) form, join, or in any other way participate in any "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934) with respect to the Common Stock (other than the Purchasers as a group);

(xii) demand a copy of the Company's list of shareholders or its other books and records, whether pursuant to the Minnesota Business Corporation Act (the "MBCA") or pursuant to any other statutory right;

(xiii) commence, encourage, or support any derivative action in the name of the Company, or any class action against the Company or any of its officers or directors in order to, directly or indirectly, effect any of the actions expressly prohibited by this Agreement or cause the Company to amend or waive any of the provisions of this Agreement; provided, however, that for the avoidance of doubt, the foregoing shall not prevent any of the Purchasers from (A) bringing litigation to enforce the provisions of this Agreement, (B) making counterclaims with respect to any proceeding initiated by, or on behalf of, the Company against a Purchaser, (C) bringing bona fide commercial disputes that do not relate to the subject matter of this Agreement or the topics covered in any correspondence between the Company and the Purchasers prior to the date hereof, or (D) exercising statutory dissenter's, appraisal, or similar rights under the MBCA; provided, further, that the foregoing shall also not prevent the Purchasers from responding to or complying with a validly issued legal process in connection with litigation that it did not initiate, invite, facilitate or encourage, except as otherwise permitted in this Section 5.3(a)(xiii);

(xiv) disclose publicly or privately in a manner that could reasonably be expected to become public any intent, purpose, plan, or proposal with respect to the Company's board of directors, the Company, its management, policies or affairs, any of its securities or assets, or this Agreement that is inconsistent with the provisions of this Agreement;

(xv) enter into any negotiations, agreements, or understandings with any person or entity with respect to any of the foregoing, or advise, knowingly assist, knowingly encourage, or knowingly seek to persuade any person or entity to take any action or make any statement with respect to any of the foregoing, or otherwise take or cause any action or make any statement inconsistent with any of the foregoing;

(xvi) make any request or submit any proposal to amend the terms of this Agreement other than through non-public communications with the Company that would not be reasonably determined to trigger public disclosure obligations for any party;

(xvii) acquire, offer, or propose to acquire, or agree to acquire, directly or indirectly, whether by purchase, tender or exchange offer, through the acquisition of control of another person, by joining a partnership, limited partnership, syndicate, or other group (including any group of persons that would be treated as a single "person" under Section 13(d) of the Securities Exchange Act of 1934), through swap or hedging transactions or otherwise, any additional securities of the Company or any rights decoupled from the underlying securities of the Company, to the extent that the Purchaser's total beneficial ownership would exceed in the aggregate (including any Affiliate or Associate thereof) 9.9% of the Common Stock outstanding; notwithstanding the foregoing, to the extent that the Purchaser's total beneficial ownership exceeds in the aggregate (together with any Affiliate or Associate thereof) 9.9% of the Common Stock outstanding as of the date of this Agreement, such Purchaser may not undertake any of the transactions set forth in this clause (xvii) until such person's beneficial ownership no longer exceeds in the aggregate (together with any Affiliate or Associate thereof) 9.9% of the Common Stock outstanding;

(xviii) take any action challenging the validity or enforceability of any of the provisions of this Section or publicly disclose, or cause or facilitate the public disclosure (including the filing of any document with the SEC or any other governmental agency or any disclosure to any journalist, member of the media, or securities analyst) of, any intent, purpose, plan, or proposal to either (A) obtain any waiver or consent under, or any amendment of, any provision of this Agreement, or (B) take any action challenging the validity or enforceability of any provisions of this Section; or

(xix) otherwise take, or solicit, cause or encourage others to take, any action inconsistent with the foregoing.

(b) Notwithstanding the foregoing, the provisions of this Section shall not limit in any respect the actions of any director or executive officer of the Company (including Eyal Lalo and Michael Friedman) in his or her capacity as such, recognizing that such actions are subject to such director's and officer's fiduciary duties to the Company and its shareholders (it being understood and agreed that neither the Purchasers nor any of their Affiliates or Associates shall seek to do indirectly through Eyal Lalo or Michael Friedman in their capacity as directors or officers anything that would be prohibited if done by any of the Purchasers or their Affiliates and Associates directly).

(c) The foregoing provisions of this Section shall not be deemed to prohibit the Purchasers or their directors, officers, partners, employees, members, or agents, in each case acting in such capacity ("*Purchaser Agents*"), from communicating privately regarding or privately advocating for or against any of the matters described in this Section with the Company's directors or officers, so long as such communications are not intended to, and would not reasonably be expected to, require any public disclosure of such communications or requests.

(d) As of the date of this Agreement, none of the Purchasers is engaged in any discussions or negotiations with any person, and none of the Purchasers has any agreements, arrangements, or understandings, written or oral, formal or informal, and whether or not legally enforceable, with any person concerning the acquisition of economic ownership of any securities of the Company, and none of the Purchasers has actual and non-public knowledge that any other shareholders of the Company, including any shareholders that have a Schedule 13D currently on file with the SEC with respect to the Company, have any present or future intention of taking any actions that if taken by the Purchasers would violate any of the terms of this Agreement. The Purchasers agree to refrain from taking any actions during the Standstill Period to intentionally encourage other shareholders of the Company or any other persons to engage in any of the actions referred to in the previous sentence.

(e) As used in this Agreement, the term "*Associate*" shall have the meaning set forth in Rule 12b-2 promulgated by the SEC under the Securities Exchange Act of 1934; the terms "beneficial owner" and "beneficial ownership" shall have the same meanings as set forth in Rule 13d-3 promulgated by the SEC under the Securities Exchange Act of 1934; the terms "economic owner" and "economically own" shall have the same meanings as "beneficial owner" and "beneficially own," except that a person will also be deemed to economically own and to be the economic owner of (i) all shares of Common Stock that such person has the right to acquire pursuant to the exercise of any rights in connection with any securities or any agreement, regardless of when such rights may be exercised and whether they are conditional, and (ii) all shares of Common Stock in which such person has any economic interest, including pursuant to a cash-settled call option or other derivative security, contract, or instrument in any way related to the price of shares of Common Stock; the terms "person" or "persons" shall mean any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, or other entity of any kind or nature; and the term.

(f) Notwithstanding anything contained in this Agreement to the contrary, the provisions of this Section 5.3 shall automatically terminate upon the announcement by the Company that it has entered into a definitive agreement with respect to any merger, consolidation, acquisition, business combination, sale of a division, sale of substantially all assets, recapitalization, restructuring, liquidation, dissolution, tender offer or other similar extraordinary transaction that would, if consummated, result in the acquisition by any person or group of persons (other than any direct or indirect subsidiaries of the Company) of more than 50% of the Common Stock.

5.4 Voting Agreement. For the time period that ends May 2, 2022, each Purchaser shall cause all shares of Common Stock beneficially owned by it and its Affiliates and Associates to be (i) present for quorum purposes at all meetings of Company shareholders and at any adjournments or postponements thereof, (ii) voted at all such meetings in favor of all directors nominated by the Company's board of directors for election and (iii) voted in the same manner as the Company's board of directors for all other proposals.

5.5 19.999% Blocker. Each Purchaser hereby agrees that it will take no actions that will result in the total number of shares of Common Stock beneficially owned by such Purchaser and its affiliates, as defined under Rule 144, and any other persons whose beneficial ownership of Common Stock would be aggregated with the Purchaser's for purposes of the Exchange Act, to exceed 19.999% of the total number of issued and outstanding shares of Common Stock. For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Purchaser may receive or beneficially own in order to determine the amount of securities or other consideration that such Purchaser may receive in the event of a Fundamental Transaction. This restriction may not be waived without shareholder approval. "*Fundamental Transaction*" means any of the following: (i) the Company effects any merger or consolidation of the Company with or into another person, (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or another person pursuant to an agreement with the Company) is completed pursuant to which all holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property and the holders of at least 50% of the then outstanding Common Stock tender their shares of Common Stock, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property.

6. Miscellaneous.

6.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota, without regard to the choice of law provisions thereof, and the federal laws of the United States.

6.2 Successors and Assigns. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors, and administrators of the parties hereto.

6.3 Entire Agreement. This Agreement and the exhibits hereto, and the other documents delivered pursuant hereto, constitute the full and entire understanding and agreement among the parties with regard to the subjects hereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants, or agreements except as specifically set forth herein or therein. Nothing in this Agreement, express or implied, is intended to confer upon any party, other than the parties hereto and their respective successors and assigns, any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.4 Severability. In the event any provision of this Agreement shall be invalid, illegal, or unenforceable, it shall to the extent practicable, be modified so as to make it valid, legal and enforceable and to retain as nearly as practicable the intent of the parties, and the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

6.5 Amendment and Waiver. Except as otherwise provided herein, any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, either retroactively or prospectively, and either for a specified period of time or indefinitely), with the written consent of the Company and each Purchaser. Any amendment or waiver effected in accordance with this Section shall be binding upon any holder of any Securities purchased under this Agreement (including securities into which such Securities have been converted), each future holder of all such securities, and the Company.

6.6 Fees and Expenses. Except as otherwise set forth herein, the Company and the Purchasers shall bear their own expenses and legal fees incurred on their behalf with respect to this Agreement and the transactions contemplated hereby. Each party hereby agrees to indemnify and to hold harmless of and from any liability the other party for any commission or compensation in the nature of a finder's fee to any broker or other person or firm (and the costs and expenses of defending against such liability or asserted liability) for which such indemnifying party or any of its employees or representatives are responsible.

6.7 Notices. All notices, requests, consents and other communications hereunder shall be in writing, shall be delivered (A) if within the United States, by first-class registered or certified airmail, or nationally recognized overnight express courier, postage prepaid, or by facsimile, or (B) if from outside the United States, by International Federal Express (or comparable service) or facsimile, and shall be deemed given (i) if delivered by first-class registered or certified mail domestic, upon the business day received, (ii) if delivered by nationally recognized overnight carrier, one business day after timely delivery to such carrier, (iii) if delivered by International Federal Express (or comparable service), two business days after so mailed, (iv) if delivered by facsimile, upon electric confirmation of receipt and shall be addressed as follows, or to such other address or addresses as may have been furnished in writing by a party to another party pursuant to this paragraph:

if to the Company, to:

iMedia Brands Inc.
6740 Shady Oak Road
Eden Prairie, MN 55344-3433
Attention: General Counsel

with a copy to:

Faegre Drinker Biddle & Reath LLP
2200 Wells Fargo Center
90 S. 7th Street
Minneapolis, MN 55402-3901
Attention: Jonathan Zimmerman
Facsimile: +1 612 766 1600

if to a Purchaser, at the address on the signature page to this Agreement, and in the case of Invicta Media Investments, LLC, also with a copy to:

Squire Patton Boggs (US) LLP
2550 M Street NW
Washington, DC 20037
Attention: Abby E. Brown
Telephone: (202) 457-5668

6.8 Survival of Representations, Warranties and Agreements. All covenants, agreements, representations and warranties made by the Company and the Purchaser herein shall survive the execution of this Agreement, the delivery to each Purchaser of the Securities being purchased and the payment therefor.

6.9 Counterparts. This Agreement may be executed by electronic or facsimile signature and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

6.10 Receipt of Adequate Information; No Reliance; Representation by Counsel. Each party acknowledges that it has received adequate information to enter into this Agreement, that it has had adequate opportunity to make whatever investigation or inquiry it may deem necessary or desirable in connection with the subject matter of this Agreement prior to the execution hereof, and that it has not relied on any promise, representation, or warranty, express or implied, not contained in this Agreement. Each of the parties hereto acknowledges that it has been represented by counsel of its choice throughout all negotiations that have preceded the execution of this Agreement, and that it has executed the same with the advice of said independent counsel. Each party cooperated and participated in the drafting and preparation of this Agreement and the documents referred to herein, and any and all drafts relating thereto exchanged among the parties shall be deemed the work product of all of the parties and may not be construed against any party by reason of its drafting or preparation. Accordingly, any rule of law or any legal decision that would require interpretation of any ambiguities in this Agreement against any party that drafted or prepared it is of no application and is hereby expressly waived by each of the parties hereto, and any controversy over interpretations of this Agreement shall be decided without regards to events of drafting or preparation. Further, any rule of law or any legal decision that would provide any party with a defense to the enforcement of the terms of this Agreement against such party shall have no application and is expressly waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the intent of the parties.

6.11 Waiver of Conflicts. Each party to this Agreement acknowledges that Faegre Drinker Biddle & Reath LLP, counsel for the Company, may have in the past performed and may continue to perform legal services for certain of the Purchasers in matters unrelated to the transactions described in this Agreement. Accordingly, each party to this Agreement hereby (a) acknowledges that they have had an opportunity to ask for information relevant to this disclosure; and (b) gives its informed consent to Faegre Drinker Biddle & Reath LLP's representation of certain of the Purchasers in such unrelated matters and to Faegre Drinker Biddle & Reath LLP's representation of the Company in connection with this Agreement and the transactions contemplated hereby.

7. Accounts Payable Cap. Sterling Time, LLC hereby agrees that the Company shall not be required to pay any amounts otherwise payable to Sterling Time, LLC for providing vendor goods and services to the Company so long as the Company's accounts payable balance to Sterling Time, LLC does not exceed (a) \$3,000,000 through the last day of the Company's third fiscal quarter of fiscal year 2020 and (b) \$4,000,000 during the Company's fourth fiscal quarter of fiscal year 2020 (collectively, the "*Accounts Payable Cap Balance*"). For the avoidance of doubt, any accounts payable balance to Sterling Time, LLC that exceeds the Accounts Payable Cap Balance will be due and payable in normal course. The Accounts Payable Cap Balance shall not be deemed due and payable during the periods noted in this Section or any subsequent periods. "*Accounts Payable*" will be calculated based on the total amount of invoices outstanding for goods received, excluding any deductions.

8. 2019 Warrant Amendment. The undersigned holders of warrants purchased pursuant to that certain Common Stock and Warrant Purchase Agreement, dated May 2, 2019, hereby agree that such warrants are amended to (a) replace the entirety of Section 13 with "[**Reserved.**]" and (b) add the following as a new Section 15:

“15. **19.999% Blocker.** Notwithstanding anything to the contrary contained herein, the number of Warrant Shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such Holder and its affiliates (as defined under Rule 144, “*Affiliates*”) and any other persons whose beneficial ownership of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Securities Exchange Act of 1934, does not exceed 19.999% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable upon such exercise). For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9(b) of this Warrant. This restriction may not be waived without shareholder approval.”

[The Remainder of this Page is Blank]

In witness whereof, the foregoing Common Stock and Warrant Purchase Agreement is hereby executed as of the date first above written.

IMEDIA BRANDS, INC.

By: /s/ Landel Hobbs
Landel Hobbs, *Chair of the Board*

In witness whereof, the foregoing Common Stock and Warrant Purchase Agreement is hereby executed as of the date first above written.

PURCHASER:

MICHAEL & LEAH FRIEDMAN, JTWROS

/s/ Michael Friedman

Michael Friedman

/s/ Leah Friedman

Leah Friedman

Address for Notice & Delivery:

[Redacted]

Telephone & Tax ID No: previously provided to company

ACCREDITED INVESTOR CRITERIA

- The undersigned is an individual with a net worth, or a joint net worth together with his or her spouse, in excess of \$1,000,000. In calculating net worth, you may include equity in personal property and real estate (excluding your principal residence), cash, short term investments, stock and securities. Indebtedness that is secured by your primary residence up to the estimated fair market value of the residence shall not be included as a liability unless it exceeds the amount outstanding 60 days before the date of this agreement other than as a result of acquisition of your primary residence. Indebtedness secured by your primary residence in excess of the fair market value of the residence shall be included as a liability.
- The undersigned is an individual that had an individual income in excess of \$200,000 in each of the prior two years and reasonably expects an income in excess of \$200,000 in the current year.

Solely for Purposes of Section 7 of the Purchase Agreement:

STERLING TIME, LLC

By: /s/ Michael Friedman

Michael Friedman

Title: _____

In witness whereof, the foregoing Common Stock and Warrant Purchase Agreement is hereby executed as of the date first above written.

PURCHASER:

INVICTA MEDIA INVESTMENTS, LLC

/s/ Eyal Lalo

Eyal Lalo, Owner

State of Organization & Principal Place of Operations: FL

Address for Notice & Delivery:

[Redacted]

Telephone & Tax ID No: previously provided to company

ACCREDITED INVESTOR CRITERIA

[Invicta Media Investments, LLC]

The undersigned is an entity, and is an “accredited investor” as defined in Rule 501(a) of Regulation D under the Securities Act. This representation is based on the following (check one or more, as applicable):

The undersigned is an entity in which all equity owners are accredited investors. (If relying on this category alone, each equity owner must complete a separate copy of this Agreement.)

ACCREDITED INVESTOR CRITERIA

[Owner (Eyal Lalo)]

The undersigned is an individual with a net worth, or a joint net worth together with his or her spouse, in excess of \$1,000,000. In calculating net worth, you may include equity in personal property and real estate (excluding your principal residence), cash, short term investments, stock and securities. Indebtedness that is secured by your primary residence up to the estimated fair market value of the residence shall not be included as a liability unless it exceeds the amount outstanding 60 days before the date of this agreement other than as a result of acquisition of your primary residence. Indebtedness secured by your primary residence in excess of the fair market value of the residence shall be included as a liability.

Eyal Lalo

/s/ Eyal Lalo

In witness whereof, the foregoing Common Stock and Warrant Purchase Agreement is hereby executed as of the date first above written.

PURCHASER:

HACIENDA JACKSON LLC

/s/ Alberto Romano Guakil

Alberto Romano Guakil, Owner

State of Organization & Principal Place of Operations: FL

Address for Notice & Delivery:

[Redacted]

Telephone & Tax ID No: previously provided to company

ACCREDITED INVESTOR CRITERIA

[Hacienda Jackson LLC]

- The undersigned is an entity, and is an “accredited investor” as defined in Rule 501(a) of Regulation D under the Securities Act. This representation is based on the following (check one or more, as applicable):
- The undersigned is an entity in which all equity owners are accredited investors. (If relying on this category alone, each equity owner must complete a separate copy of this Agreement.)

ACCREDITED INVESTOR CRITERIA

[Owner (Alberto Romano Guakil)]

- The undersigned is an individual with a net worth, or a joint net worth together with his or her spouse, in excess of \$1,000,000. In calculating net worth, you may include equity in personal property and real estate (excluding your principal residence), cash, short term investments, stock and securities. Indebtedness that is secured by your primary residence up to the estimated fair market value of the residence shall not be included as a liability unless it exceeds the amount outstanding 60 days before the date of this agreement other than as a result of acquisition of your primary residence. Indebtedness secured by your primary residence in excess of the fair market value of the residence shall be included as a liability.

/s/ Alberto Romano Guakil

Alberto Romano Guakil

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATES. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. UNLESS SOLD PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

IMEDIA BRANDS, INC.

WARRANT

Warrant No. 2020B-[]

Original Issue Date:
[],2020

IMEDIA BRANDS, INC., a Minnesota corporation (the “Company”), hereby certifies that, for value received, [] or its registered assigns (the “Holder”), is entitled to purchase from the Company up to a total of [] shares of Common Stock (each such share, a “Warrant Share” and all such shares, the “Warrant Shares”), at any time and from time to time from and after [six months + 1 day following the Original Issue Date] and through and including April 14, 2025 (the “Expiration Date”), and subject to the following terms and conditions:

1. Definitions. As used in this Warrant, the following terms shall have the respective definitions set forth in this Section. Capitalized terms that are used and not defined in this Warrant that are defined in the Purchase Agreement (as defined below) shall have the respective definitions set forth in the Purchase Agreement.

“Closing Price” means, for any date of determination, the price determined by the first of the following clauses that applies: (i) if the Common Stock is then listed or quoted on a Trading Market, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) on such market; (ii) if prices for the Common Stock are then quoted on the OTC Bulletin Board, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; (iii) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported; or (iv) in all other cases, the fair market value of a share of Common Stock as determined by an independent qualified appraiser selected in good faith and paid for by the Company.

“Common Stock” means the common stock of the Company, par value \$.01 per share, and any securities into which such common stock may hereafter be reclassified.

“Exercise Price” means \$2.66, subject to adjustment in accordance with Section 9.

“*Fundamental Transaction*” means any of the following: (i) the Company effects any merger or consolidation of the Company with or into another person, (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or another person pursuant to an agreement with the Company) is completed pursuant to which all holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property and the holders of at least 50% of the then outstanding Common Stock tender their shares of Common Stock, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property.

“*Original Issue Date*” means the Original Issue Date first set forth on the first page of this Warrant or its predecessor instrument.

“*Purchase Agreement*” means the Common Stock and Warrant Purchase Agreement, dated April 14, 2020, to which the Company and the original Holder are parties.

“*Trading Day*” means (i) a day on which the Common Stock is traded on a Trading Market (other than the OTC Bulletin Board), or (ii) if the Common Stock is not listed on a Trading Market (other than the OTC Bulletin Board), a day on which the Common Stock is traded in the over-the-counter market, as reported by the OTC Bulletin Board, or (iii) if the Common Stock is not quoted on any Trading Market, a day on which the Common Stock is quoted in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or any similar organization or agency succeeding to its functions of reporting prices); provided, that in the event that the Common Stock is not listed or quoted as set forth in clauses (i), (ii) and (iii) hereof, then Trading Day shall mean a Business Day.

“*Trading Market*” means whichever of the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or the OTC Bulletin Board on which the Common Stock is listed or quoted for trading on the date in question.

2. Registration of Warrant. The Company shall register this Warrant upon records to be maintained by the Company for that purpose (the “*Warrant Register*”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. Registration of Transfers. The Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto duly completed and signed and such other documents as described in the Purchase Agreement, to the Company at its address specified herein. Upon any such registration or transfer, a new Warrant to purchase Common Stock, in substantially the form of this Warrant (any such new Warrant, a “*New Warrant*”), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.

4. Exercise and Duration of Warrants.

(a) This Warrant shall be exercisable by the registered Holder in whole at any time and in part from time to time from [six months + 1 day from the Original Issue Date] through and including the Expiration Date. At 5:30 p.m., Central time on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value.

(b) Notwithstanding anything to the contrary set forth in this Warrant, in the event of a Change of Control, (i) at Company's sole option unless (ii) the Change of Control results in the Company no longer having a class of securities registered under Section 12 or Section 15 of the Securities Exchange Act of 1934 in which case such determination shall be made automatically, the Holder shall surrender this Warrant in exchange for a number of shares of Company's securities, such number of securities being equal to the maximum number of securities issuable pursuant to the terms hereof (after taking into account all adjustments described herein) had the Holder elected to exercise this Warrant immediately prior to the closing of such Change of Control and purchased all such shares pursuant to the cashless exercise provision set forth in Section 10(b) (as opposed to the cash exercise provision set forth in Section 10(a)). The Company acknowledges and agrees that the Holder shall not be required to make any additional payment (cash or otherwise) for such shares as further consideration for their issuance in exchange for the Holder's surrender of this Warrant pursuant to the terms of the preceding sentence. A "Change of Control" shall be deemed to occur if the Company shall (a) sell, lease, convey, or otherwise dispose of (including without limitation the grant of an exclusive license to) all or substantially all of the Company's intellectual property or assets as an entirety or substantially as an entirety to any person, entity or group of persons acting in concert, (b) effect a merger, consolidation or reorganization in which the Company is not the surviving entity and the stockholders of the Company immediately prior to the merger, consolidation or reorganization fail to possess direct or indirect ownership of more than 50% of the voting power of the securities of the surviving entity immediately following such transaction (other than a merger or consolidation with a wholly-owned subsidiary, a reincorporation of the Company, or other transaction in which there is no substantial change in the stockholders of the Company or their relative stock holdings), or (c) effect a merger, consolidation or reorganization in which the Company is the surviving corporation and the stockholders of the Company immediately prior to the merger, consolidation or reorganization fail to possess direct or indirect ownership of more than 50% of the securities of the Company immediately following such transaction.

5. Delivery of Warrant Shares.

(a) To effect exercises hereunder, the Holder shall not be required to physically surrender this Warrant unless the aggregate Warrant Shares represented by this Warrant are being exercised. Upon delivery of the Exercise Notice (in the form attached hereto) to the Company (with the attached Warrant Shares Exercise Log) at its address for notice set forth herein and upon payment of the Exercise Price multiplied by the number of Warrant Shares that the Holder intends to purchase hereunder, the Company shall promptly (but in no event later than two Trading Days after the Date of Exercise (as defined herein)) issue and deliver to the Holder, a certificate for the Warrant Shares issuable upon such exercise. A "Date of Exercise" means each of (A) the date of a Change of Control and (B) the date on which the Holder shall have delivered to the Company: (i) the Exercise Notice (with the Warrant Exercise Log attached to it), appropriately completed and duly signed and (ii) payment of the Exercise Price for the number of Warrant Shares so indicated by the Holder to be purchased.

(b) If by the third Trading Day after a Date of Exercise the Company fails to deliver the required number of Warrant Shares in the manner required pursuant to Section 5(a), then the Holder will have the right to rescind such exercise.

6. **Charges, Taxes and Expenses.** Issuance and delivery of Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. **Replacement of Warrant.** If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity (which shall not include a surety bond), if requested. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. **Reservation of Warrant Shares.** The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of Persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable.

9. **Certain Adjustments.** The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) **Stock Dividends and Splits.** If the Company, at any time while this Warrant is outstanding, (i) pays a stock dividend on its Common Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock, (ii) subdivides outstanding shares of Common Stock into a larger number of shares, or (iii) combines outstanding shares of Common Stock into a smaller number of shares, then in each such case the Exercise Price shall be adjusted to equal the product obtained by multiplying the then-current Exercise Price by a fraction of which the numerator shall be the number of shares of Common Stock outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, and any adjustment pursuant to clause (ii) or (iii) of this paragraph shall become effective immediately after the effective date of such subdivision or combination.

(b) **Fundamental Transactions.** If, at any time while this Warrant is outstanding there is a Fundamental Transaction, then the Holder shall have the right thereafter to receive, upon exercise of this Warrant, the same amount and kind of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of the number of Warrant Shares then issuable upon exercise in full of this Warrant (the "*Alternate Consideration*"). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. Any successor to the Company or surviving entity in such Fundamental Transaction shall issue to the Holder a new warrant substantially in the form of this Warrant and consistent with the foregoing provisions and evidencing the Holder's right to purchase the Alternate Consideration for the aggregate Exercise Price upon exercise thereof.

(c) **Number of Warrant Shares.** Simultaneously with any adjustment to the Exercise Price pursuant to this Section, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the adjusted number of Warrant Shares shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(d) **Calculations.** All calculations under this Section shall be made to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(e) **Notice of Adjustments.** Upon the occurrence of each adjustment pursuant to this Section, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant Shares or other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Company's Transfer Agent.

10. Payment of Exercise Price. The Holder may pay the Exercise Price in one of the following manners:

(a) **Cash Exercise.** The Holder may deliver immediately available funds; or

(b) **Cashless Exercise.** Solely pursuant to a Company Exercise, the Company shall issue to the Holder the number of Warrant Shares determined as follows:

$$X = Y [(A-B)/A]$$

where:

X = the number of Warrant Shares to be issued to the Holder.

Y = the number of Warrant Shares with respect to which this Warrant is being exercised.

A = the average of the Closing Prices for the five Trading Days immediately prior to (but not including) the Exercise Date.

B = the Exercise Price.

11. No Fractional Shares. No fractional shares of Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares which would, otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the Closing Price of one Warrant Share on the date of exercise.

12. Notices. Any notice required or permitted under this Warrant (including, without limitation, any Exercise Notice) shall be given in writing and shall be deemed effectively given upon the earlier of (1) actual receipt or three days after mailing if mailed postage prepaid by regular or airmail to the Company or the Holder or (2) one day after it is sent by overnight mail via nationally recognized courier or (3) on the same day as sent via confirmed e-mail or facsimile transmission, provided that the original is sent by personal delivery or mail by the sending party. Address for such notice will be provided by each party to the other under separate cover.

13. Miscellaneous.

(a) This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder and their successors and assigns.

(b) All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of Minnesota, without regard to the principles of conflicts of law thereof.

(c) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(d) In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(e) Prior to exercise of this Warrant, the Holder hereof shall not, by reason of being a Holder, be entitled to any rights of a stockholder with respect to the Warrant Shares.

14. 19.999% Blocker. Notwithstanding anything to the contrary contained herein, the number of Warrant Shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such Holder and its affiliates (as defined under Rule 144, “*Affiliates*”) and any other persons whose beneficial ownership of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Securities Exchange Act of 1934, does not exceed 19.999% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable upon such exercise). For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9 of this Warrant. This restriction may not be waived without shareholder approval.

[Remainder of page intentionally left blank, signature page follows]

In witness whereof, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

IMEDIA BRANDS, INC.

By:

Landel Hobbs, *Chair of the Board*

EXERCISE NOTICE

The undersigned Holder hereby irrevocably elects to purchase _____ shares of Common Stock pursuant to the attached Warrant. Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

(1) The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

(2) The Holder intends that payment of the Exercise Price shall be made as (check one):

_____ “Cash Exercise” under Section 10

_____ “Cashless Exercise” under Section 10 (only in connection with Change of Control)

(3) If the holder has elected a Cash Exercise, the Holder shall pay the sum of \$_____ to the Company in accordance with the terms of the Warrant.

(4) Pursuant to this Exercise Notice, the Company shall deliver to the holder Warrant Shares in accordance with the terms of the Warrant.

Dated _____, _____

Name of Holder:

(Print)

By:

Its: _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Warrant Shares Exercise Log

Date	Number of Warrant Shares Available to be Exercised	Number of Warrant Shares Exercised	Number of Warrant Shares Remaining to be Exercised

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto the right represented by the attached Warrant to purchase _____ shares of Common Stock to which such Warrant relates and appoints _____ attorney to transfer said right on the books of the Company with full power of substitution in the premises.

Dated: _____, _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Address of Transferee

Attest:

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), OR UNDER THE SECURITIES LAWS OF ANY STATES. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. UNLESS SOLD PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

IMEDIA BRANDS, INC.

WARRANT

Warrant No. 2020A-[]

Original Issue Date:
April 14, 2020

IMEDIA BRANDS, INC., a Minnesota corporation (the “*Company*”), hereby certifies that, for value received, [] or its registered assigns (the “*Holder*”), is entitled to purchase from the Company up to a total of [] shares of Common Stock (each such share, a “*Warrant Share*” and all such shares, the “*Warrant Shares*”), at any time and from time to time from and after the Original Issue Date and through and including April 14, 2030 (the “*Expiration Date*”), and subject to the following terms and conditions:

1. Definitions. As used in this Warrant, the following terms shall have the respective definitions set forth in this Section. Capitalized terms that are used and not defined in this Warrant that are defined in the Purchase Agreement (as defined below) shall have the respective definitions set forth in the Purchase Agreement.

“*Closing Price*” means, for any date of determination, the price determined by the first of the following clauses that applies: (i) if the Common Stock is then listed or quoted on a Trading Market, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) on such market; (ii) if prices for the Common Stock are then quoted on the OTC Bulletin Board, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; (iii) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported; or (iv) in all other cases, the fair market value of a share of Common Stock as determined by an independent qualified appraiser selected in good faith and paid for by the Company.

“*Common Stock*” means the common stock of the Company, par value \$.01 per share, and any securities into which such common stock may hereafter be reclassified.

“*Exercise Price*” means \$0.001, subject to adjustment in accordance with Section 9.

“*Fundamental Transaction*” means any of the following: (i) the Company effects any merger or consolidation of the Company with or into another person, (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or another person pursuant to an agreement with the Company) is completed pursuant to which all holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property and the holders of at least 50% of the then outstanding Common Stock tender their shares of Common Stock, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property.

“*Original Issue Date*” means the Original Issue Date first set forth on the first page of this Warrant or its predecessor instrument.

“*Purchase Agreement*” means the Common Stock and Warrant Purchase Agreement, dated April 14, 2020, to which the Company and the original Holder are parties.

“*Trading Day*” means (i) a day on which the Common Stock is traded on a Trading Market (other than the OTC Bulletin Board), or (ii) if the Common Stock is not listed on a Trading Market (other than the OTC Bulletin Board), a day on which the Common Stock is traded in the over-the-counter market, as reported by the OTC Bulletin Board, or (iii) if the Common Stock is not quoted on any Trading Market, a day on which the Common Stock is quoted in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or any similar organization or agency succeeding to its functions of reporting prices); provided, that in the event that the Common Stock is not listed or quoted as set forth in clauses (i), (ii) and (iii) hereof, then Trading Day shall mean a Business Day.

“*Trading Market*” means whichever of the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or the OTC Bulletin Board on which the Common Stock is listed or quoted for trading on the date in question.

2. Registration of Warrant. The Company shall register this Warrant upon records to be maintained by the Company for that purpose (the “*Warrant Register*”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. Registration of Transfers. The Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto duly completed and signed and such other documents as described in the Purchase Agreement, to the Company at its address specified herein. Upon any such registration or transfer, a new Warrant to purchase Common Stock, in substantially the form of this Warrant (any such new Warrant, a “*New Warrant*”), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.

4. Exercise and Duration of Warrants.

(a) This Warrant shall be exercisable by the registered Holder in whole at any time and in part from time to time from the Original Issue Date through and including the Expiration Date. At 5:30 p.m., Central time on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value.

(b) Notwithstanding anything to the contrary set forth in this Warrant, in the event of a Change of Control, (i) at Company's sole option unless (ii) the Change of Control results in the Company no longer having a class of securities registered under Section 12 or Section 15 of the Securities Exchange Act of 1934 in which case such determination shall be made automatically, the Holder shall surrender this Warrant in exchange for a number of shares of Company's securities, such number of securities being equal to the maximum number of securities issuable pursuant to the terms hereof (after taking into account all adjustments described herein) had the Holder elected to exercise this Warrant immediately prior to the closing of such Change of Control and purchased all such shares pursuant to the cashless exercise provision set forth in Section 10(b) (as opposed to the cash exercise provision set forth in Section 10(a)). The Company acknowledges and agrees that the Holder shall not be required to make any additional payment (cash or otherwise) for such shares as further consideration for their issuance in exchange for the Holder's surrender of this Warrant pursuant to the terms of the preceding sentence. A "Change of Control" shall be deemed to occur if the Company shall (a) sell, lease, convey, or otherwise dispose of (including without limitation the grant of an exclusive license to) all or substantially all of the Company's intellectual property or assets as an entirety or substantially as an entirety to any person, entity or group of persons acting in concert, (b) effect a merger, consolidation or reorganization in which the Company is not the surviving entity and the stockholders of the Company immediately prior to the merger, consolidation or reorganization fail to possess direct or indirect ownership of more than 50% of the voting power of the securities of the surviving entity immediately following such transaction (other than a merger or consolidation with a wholly-owned subsidiary, a reincorporation of the Company, or other transaction in which there is no substantial change in the stockholders of the Company or their relative stock holdings), or (c) effect a merger, consolidation or reorganization in which the Company is the surviving corporation and the stockholders of the Company immediately prior to the merger, consolidation or reorganization fail to possess direct or indirect ownership of more than 50% of the securities of the Company immediately following such transaction.

5. Delivery of Warrant Shares.

(a) To effect exercises hereunder, the Holder shall not be required to physically surrender this Warrant unless the aggregate Warrant Shares represented by this Warrant are being exercised. Upon delivery of the Exercise Notice (in the form attached hereto) to the Company (with the attached Warrant Shares Exercise Log) at its address for notice set forth herein and upon payment of the Exercise Price multiplied by the number of Warrant Shares that the Holder intends to purchase hereunder, the Company shall promptly (but in no event later than two Trading Days after the Date of Exercise (as defined herein)) issue and deliver to the Holder, a certificate for the Warrant Shares issuable upon such exercise. A "Date of Exercise" means each of (A) the date of a Change of Control and (B) the date on which the Holder shall have delivered to the Company: (i) the Exercise Notice (with the Warrant Exercise Log attached to it), appropriately completed and duly signed and (ii) payment of the Exercise Price for the number of Warrant Shares so indicated by the Holder to be purchased.

(b) If by the third Trading Day after a Date of Exercise the Company fails to deliver the required number of Warrant Shares in the manner required pursuant to Section 5(a), then the Holder will have the right to rescind such exercise.

6. **Charges, Taxes and Expenses.** Issuance and delivery of Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity (which shall not include a surety bond), if requested. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. Reservation of Warrant Shares. The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of Persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable.

9. Certain Adjustments. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding, (i) pays a stock dividend on its Common Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock, (ii) subdivides outstanding shares of Common Stock into a larger number of shares, or (iii) combines outstanding shares of Common Stock into a smaller number of shares, then in each such case the Exercise Price shall be adjusted to equal the product obtained by multiplying the then-current Exercise Price by a fraction of which the numerator shall be the number of shares of Common Stock outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, and any adjustment pursuant to clause (ii) or (iii) of this paragraph shall become effective immediately after the effective date of such subdivision or combination.

(b) Fundamental Transactions. If, at any time while this Warrant is outstanding there is a Fundamental Transaction, then the Holder shall have the right thereafter to receive, upon exercise of this Warrant, the same amount and kind of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of the number of Warrant Shares then issuable upon exercise in full of this Warrant (the "*Alternate Consideration*"). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. Any successor to the Company or surviving entity in such Fundamental Transaction shall issue to the Holder a new warrant substantially in the form of this Warrant and consistent with the foregoing provisions and evidencing the Holder's right to purchase the Alternate Consideration for the aggregate Exercise Price upon exercise thereof.

(c) **Number of Warrant Shares.** Simultaneously with any adjustment to the Exercise Price pursuant to this Section, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the adjusted number of Warrant Shares shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(d) **Calculations.** All calculations under this Section shall be made to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(e) **Notice of Adjustments.** Upon the occurrence of each adjustment pursuant to this Section, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant Shares or other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Company's Transfer Agent.

10. Payment of Exercise Price. The Holder may pay the Exercise Price in one of the following manners:

(a) **Cash Exercise.** The Holder may deliver immediately available funds; or

(b) **Cashless Exercise.** Solely pursuant to a Company Exercise, the Company shall issue to the Holder the number of Warrant Shares determined as follows:

$$X = Y [(A-B)/A]$$

where:

X = the number of Warrant Shares to be issued to the Holder.

Y = the number of Warrant Shares with respect to which this Warrant is being exercised.

A = the average of the Closing Prices for the five Trading Days immediately prior to (but not including) the Exercise Date.

B = the Exercise Price.

11. No Fractional Shares. No fractional shares of Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares which would, otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the Closing Price of one Warrant Share on the date of exercise.

12. Notices. Any notice required or permitted under this Warrant (including, without limitation, any Exercise Notice) shall be given in writing and shall be deemed effectively given upon the earlier of (1) actual receipt or three days after mailing if mailed postage prepaid by regular or airmail to the Company or the Holder or (2) one day after it is sent by overnight mail via nationally recognized courier or (3) on the same day as sent via confirmed e-mail or facsimile transmission, provided that the original is sent by personal delivery or mail by the sending party. Address for such notice will be provided by each party to the other under separate cover.

13. Miscellaneous.

(a) This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder and their successors and assigns.

(b) All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of Minnesota, without regard to the principles of conflicts of law thereof.

(c) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(d) In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(e) Prior to exercise of this Warrant, the Holder hereof shall not, by reason of being a Holder, be entitled to any rights of a stockholder with respect to the Warrant Shares.

14. 19.999% Blocker. Notwithstanding anything to the contrary contained herein, the number of Warrant Shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such Holder and its affiliates (as defined under Rule 144, “*Affiliates*”) and any other persons whose beneficial ownership of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Securities Exchange Act of 1934, does not exceed 19.999% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable upon such exercise). For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9 of this Warrant. This restriction may not be waived without shareholder approval.

[Remainder of page intentionally left blank, signature page follows]

In witness whereof, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

IMEDIA BRANDS, INC.

By:

Landel Hobbs, *Chair of the Board*

EXERCISE NOTICE

The undersigned Holder hereby irrevocably elects to purchase _____ shares of Common Stock pursuant to the attached Warrant. Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

(1) The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

(2) The Holder intends that payment of the Exercise Price shall be made as (check one):

_____ “Cash Exercise” under Section 10

_____ “Cashless Exercise” under Section 10 (only in connection with Change of Control)

(3) If the holder has elected a Cash Exercise, the Holder shall pay the sum of \$_____ to the Company in accordance with the terms of the Warrant.

(4) Pursuant to this Exercise Notice, the Company shall deliver to the holder Warrant Shares in accordance with the terms of the Warrant.

Dated _____, _____

Name of Holder:

(Print)

By: _____

Its: _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Warrant Shares Exercise Log

Date	Number of Warrant Shares Available to be Exercised	Number of Warrant Shares Exercised	Number of Warrant Shares Remaining to be Exercised

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto the right represented by the attached Warrant to purchase shares of Common Stock to which such Warrant relates and appoints attorney to transfer said right on the books of the Company with full power of substitution in the premises.

Dated: _____, _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

Address of Transferee

Attest:

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (this “*Agreement*”), dated as of April 14, 2020, is entered into by and between iMedia Brands, Inc., a Minnesota corporation (the “*Company*”), and the purchasers set forth on Exhibit A (each, an “*Investor*”).

WHEREAS, certain investors previously purchased shares of Common Stock and warrants to purchase shares of Common stock pursuant to that certain Common Stock and Warrant Purchase Agreement, dated May 2, 2019 (the “*May 2019 Purchase Agreement*”), and the Investors are now purchasing shares of Common Stock and warrants to purchase shares of Common Stock pursuant to that certain Common Stock and Warrant Purchase Agreement, dated as of the date hereof (the “*April 2020 Purchase Agreement*,” and together with the May 2019 Purchase Agreement, the “*Purchase Agreements*”);

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

Section 1. Certain Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms, as used herein, shall have the following meanings:

“*Affiliate*” of any Person means any other Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) as used with respect to any Person means the possession, directly or indirectly through one or more intermediaries, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“*Business Day*” means any day other than Saturday, Sunday or other day that the Commission is closed for business.

“*Common Stock*” means common stock, par value \$0.01 per share, of the Company.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*Holder*” means, individually, (i) Investor, and (ii) any direct or indirect transferee of such Registrable Common Stock from Investor. For purposes of this Agreement, the Company may deem and treat the registered holder of Registrable Common Stock as the Holder and absolute owner thereof, and the Company shall not be affected by any notice to the contrary.

“*Person*” means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, incorporated organization, association, corporation, institution, public benefit corporation, government (whether federal, state, county, city, municipal or otherwise, including, without limitation, any instrumentality, division, agency, body or department thereof) or any other entity.

“*Prospectus*” means the prospectus or prospectuses included in any Registration Statement (including, without limitation, any prospectus subject to completion and a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A or Rule 430B promulgated under the Securities Act and any term sheet filed pursuant to Rule 434 under the Securities Act), as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Common Stock covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference or deemed to be incorporated by reference in such prospectus or prospectuses.

“*Registrable Common Stock*” means all of the shares of Common Stock issuable to the Investors pursuant to the Purchase Agreements (including the Warrants issuable pursuant thereto), and any securities issued or issuable upon any stock split, dividend or other distribution, recapitalization or similar event with respect to the foregoing.

“**Registration Statement**” means any registration statement of the Company filed with the SEC under the Securities Act which covers any of the Registrable Common Stock pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all materials incorporated by reference or deemed to be incorporated by reference in such Registration Statement.

“**SEC**” or “**Commission**” means the Securities and Exchange Commission.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Special Registration Statement**” shall mean (i) a registration statement relating to any employee benefit plan or (ii) with respect to any corporate reorganization or transaction under Rule 145 of the Securities Act, any registration statements related to the issuance or resale of securities issued in such a transaction or (iii) a registration related to stock issued upon conversion of debt securities.

Section 2. Registrations.

(a) *Right to Demand Registration.*

(i) At any time and from time to time after the first year anniversary of the date hereof, Holder may request registration under the Securities Act of Registrable Common Stock (a “**Demand Registration**”); provided, that the Holder may not make in the aggregate more than two (2) Demand Registrations under this Agreement; provided, further, that no such Demand Registration may be required unless the Holder (or multiple Holders in the aggregate) seeks to include at least an aggregate one million (1,000,000) shares of Registrable Common Stock in such Demand Registration. Following such request for Demand Registration, the Company shall, as soon as practicable, and in any event within 60 days after the date such request is given by Holder(s), file a Registration Statement covering all Registrable Common Stock that Holder(s) requested to be registered in accordance with Section 3, and in each case, subject to the limitations of Subsections 2(a)(iii) and 2(a)(iv). As soon as reasonably practicable thereafter but in no event later than 60 days following the filing of the Registration Statement (90 days in the event of a full review of the Registration Statement by the SEC), the Company shall use its best efforts to effect such registration and any related qualification or compliance with respect to all Registrable Common Stock.

(ii) After the Demand Registration that has been filed with the SEC pursuant to clause (i) of this Section 2(a) has been declared effective by the SEC, the Company shall use its reasonable best efforts to keep such Demand Registration effective for a period equal to 180 days from such effective date (or if such Demand Registration is not effective during any period within such 180 days, such 180-day period shall be extended by the number of days during such period when such Demand Registration is not effective), or such shorter period that shall terminate when all of the Registrable Common Stock covered by such Demand Registration have been sold pursuant to such Demand Registration.

(iii) Notwithstanding the foregoing obligations, if the Company furnishes to Holder a certificate (such certificate to be furnished promptly) signed by the Company’s chief executive officer stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would be materially detrimental to the Company and its stockholders for such registration statement to be filed and it is therefore necessary to defer the filing of such registration statement, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than 90 days after the request of Holder is given.

(iv) Holder shall not distribute the Registrable Common Stock covered by the Demand Registration by means of an underwriting.

(b) *Piggyback Registration.*

(i) The Company shall notify Holder at least 15 days prior to the filing of any registration statement under the Securities Act for purposes of a public offering of securities of the Company (including, but not limited to, Registration Statements relating to secondary offerings of securities of the Company, but excluding Special Registration Statements) (a “*Piggyback Registration*”) and will afford Holder an opportunity to include in such Registration Statement all Registrable Common Stock held by Holder. If Holder desires to include in any such registration statement all of its Registrable Common Stock it shall, within 10 days after the above-described notice from the Company, so notify the Company in writing. If Holder decides not to include all of its Registrable Securities in any Registration Statement thereafter filed by the Company, Holder shall nevertheless continue to have the right to include any Registrable Common Stock 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.

(ii) Within 20 days after the Company’s receipt of notice of the election of Holder to include all of its Registrable Securities in any Registration Statement pursuant to Section 2(b)(i), the Company within 20 days after receipt of such notice, subject to the limits contained in this Section 2(b), shall use commercially reasonable efforts to cause all such Registrable Common Stock of Holder to be registered under the Securities Act and qualified for sale under any state blue sky law, all to the extent required to permit such sale or other disposition of said Registrable Common Stock; *provided, however*, that if the Company is advised in writing in good faith by any managing underwriter of the Company’s securities being offered in a public offering pursuant to such registration statement that the amount to be sold by persons other than the Company is greater than the amount which can be offered without adversely affecting the offering, the Company may reduce the amount offered for the account of Holder to a number deemed satisfactory by such managing underwriter.

(iii) At any time, the Company shall have the right to terminate or withdraw any Registration Statement referred to in this Section 2(b) whether or not Holder has elected to include Registrable Common Stock in such registration; *provided, however*, the Company must provide Holder prompt written notice of such termination if Holder had elected to include its Registrable Common Stock in such Registration Statement.

(iv) The Holder will be permitted to withdraw all or part of the Registrable Common Stock from a Piggyback Registration at any time prior to the effective date of such Piggyback Registration.

(c) *Termination of Registration Rights.* The right of Holder to request registration or inclusion of Registrable Common Stock in any registration pursuant to Section 2(a) or Section 2(b) shall terminate upon such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of Holder’s shares without limitation during a three-month period without registration.

(d) If a Holder requests that its Registrable Common Stock be registered pursuant to this Agreement, the Company will have the right to include in any such registration and offering all shares of registrable securities held by any holder of Common Stock; *provided*, that such other registrable securities may be included in any such registration only to the extent that the inclusion of such securities will not reduce the number of the Registrable Common Stock of Holder that are included.

Section 3. Registration Procedures. Whenever Holder requests that its Registrable Common Stock be registered pursuant to this Agreement, the Company shall use its reasonable best efforts to effect and maintain the registration and the sale of such Registrable Common Stock in accordance with the intended methods of disposition thereof, and pursuant thereto the Company shall as expeditiously as possible:

(a) furnish to Holder (without charge) such number of copies of such Registration Statement, each amendment and supplement thereto, the Prospectus included in such Registration Statement (including each preliminary Prospectus) and such other documents as Holder may reasonably request in order to facilitate the disposition of the Registrable Common Stock owned by Holder, and the Company consents to the use of such Prospectus by Holder in connection with the offering and sale of Registrable Common Stock covered by such Prospectus;

(b) furnish to Holder, copies of all such documents filed, including, if requested by Holder, documents incorporated by reference in the Prospectus and, if requested by Holder, the exhibits incorporated or deemed incorporated by reference, and such other documents as Holder may reasonably request in order to facilitate its disposition of its Registrable Common Stock;

(c) prepare and file with the SEC such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement effective for a period not less than 180 days, or such shorter period as is necessary to complete the distribution of the securities covered by such Registration Statement and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such Registration Statement; *provided, however*, that before filing a Registration Statement or Prospectus or any amendments or supplements thereto the Company, to the extent commercially reasonable, will furnish to the Holder copies of all such documents proposed to be filed, which documents will be subject to the review of the Holder to the extent they modify or provide new information regarding Holder or the plan of distribution ("*Holder Modified Filings*"), and the Company will not file any such Holder Modified Filings (excluding such documents that, upon filing, will be incorporated or deemed to be incorporated by reference therein) to which the Holder shall reasonably object;

(d) use its reasonable best efforts to register or qualify such Registrable Common Stock under such other securities or blue sky laws of such jurisdictions as Holder reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable Holder to consummate the disposition in such jurisdictions of the Registrable Common Stock owned by Holder (*provided*, that the Company will not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph (d), (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction unless the Company is already subject to such service);

(e) notify Holder, at any time when a Prospectus relating thereto is required to be delivered under the Securities Act, of the occurrence of any event as a result of which the Registration Statement, including the Prospectus contained therein, contains an untrue statement of a material fact or omits any fact required to be stated therein or necessary to make the statements therein not misleading, and, at the request of Holder, the Company shall prepare a supplement or amendment to such Registration Statement so that, as thereafter delivered to the purchasers of such Registrable Common Stock, such Prospectus shall not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading;

(f) subject to receipt of reasonably acceptable confidentiality agreements, make available, for inspection by a representative of Holder, and any attorney, accountant or other agent retained by Holder, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors and independent accountants to supply all information reasonably requested by Holder or such attorney, accountant or agent in connection with such Registration Statement;

(g) to use its reasonable best efforts to cause all such Registrable Common Stock to be listed on each securities exchange on which securities of the same class issued by the Company are then listed or, if no such similar securities are then listed, on a national securities exchange selected by the Company;

(h) provide a transfer agent and registrar for all such Registrable Common Stock and provide a CUSIP number for all such Registrable Common Stock not later than the effective date of such Registration Statement;

(i) if requested, cause to be delivered, immediately prior to the effectiveness of the Registration Statement, letters from the Company's independent certified public accountants addressed to Holder (unless Holder does not provide to such accountants the appropriate representation letter required by rules governing the accounting profession), stating that such accountants are independent public accountants within the meaning of the Securities Act and the applicable rules and regulations adopted by the SEC thereunder, and otherwise in customary form and covering such financial and accounting matters as are customarily covered by letters of the independent certified public accountants delivered in connection with primary or secondary underwritten public offerings, as the case may be;

(j) make generally available to its stockholders a consolidated earnings statement (which need not be audited) for the 12 months (or, if applicable, such shorter period that the Company has been in existence) beginning after the effective date of a Registration Statement as soon as reasonably practicable after the end of such period, which earnings statement shall satisfy the requirements of an earning statement under Section 11(a) of the Securities Act and Rule 158 thereunder;

(k) use its reasonable best efforts to prevent the issuance of any stop order or other suspension of effectiveness of a Registration Statement, or the suspension of the qualification of any of the Registrable Common Stock for sale in any jurisdiction and, if such an order or suspension is issued, to use reasonable efforts to obtain the withdrawal of such order or suspension at the earliest possible moment and to notify Holder of the issuance of such order and the resolution thereof or its receipt of actual notice of the initiation or threat of any proceeding for such purpose;

(l) promptly notify Holder:

(i) when the Registration Statement, pre-effective amendment, the Prospectus or any Prospectus supplement or post-effective amendment to the Registration Statement has been filed and, with respect to the Registration Statement or any post-effective amendment, when the same has become effective;

(ii) of any written request by the SEC for amendments or supplements to the Registration Statement or Prospectus;

(iii) of the notification to the Company by the SEC of its initiation of any proceeding with respect to the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement; and

(iv) of the receipt by the Company of any notification with respect to the suspension of the qualification of any Registrable Common Stock for sale under the applicable securities or blue sky laws of any jurisdiction;

(m) at all times after the Company has filed a registration statement with the SEC pursuant to the requirements of either the Securities Act or the Exchange Act, the Company shall file all reports and other documents required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder, and take such further action as Holder may reasonably request, all to the extent required to enable Holder to be eligible to sell Registrable Common Stock pursuant to Rule 144 under the Securities Act (or any similar rule then in effect); and

(n) as a condition to being included in any Registration Statement, the Company may require Holder to furnish to the Company any other information regarding such Holder and the distribution of such securities as the Company may from time to time reasonably request in writing.

Holder agrees by having its stock treated as Registrable Common Stock hereunder that, upon notice of the happening of any event as a result of which the Prospectus included in such Registration Statement contains an untrue statement of a material fact or omits any material fact necessary to make the statements therein not misleading (a “**Suspension Notice**”), Holder will forthwith discontinue disposition of Registrable Common Stock until Holder is advised in writing by the Company that the use of the Prospectus may be resumed and is furnished with a supplemented or amended Prospectus as contemplated by Section 3(f) hereof, and, if so directed by the Company, Holder, at its option, either will destroy or deliver to the Company (at the Company’s sole expense) all copies, other than permanent file copies then in Holder’s possession, of the Prospectus covering such Registrable Common Stock currently at the time of receipt of such notice; *provided, however*, that such postponement of sales of Registrable Common Stock by Holder shall not exceed 30 days in the aggregate in any three-month period or 90 days in the aggregate in any one year except as a result of a refusal by the SEC to declare any post-effective amendment to the Registration Statement effective after the Company has used commercially reasonable efforts to cause such post-effective amendment to be declared effective, in which case the Company shall terminate the suspension of the use of the Registration Statement immediately following the effective date of the post-effective amendment. If the Company shall give any notice to suspend the disposition of Registrable Common Stock pursuant to a Prospectus, the Company shall extend the period of time during which the Company is required to maintain the Registration Statement effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date Holder either is advised by the Company that the use of the Prospectus may be resumed or receives the copies of the supplemented or amended Prospectus. In any event, the Company shall not be entitled to deliver more than two Suspension Notices in any one year.

Section 4. Registration Expenses.

(a) All fees and expenses incident to the Company’s performance of or compliance with this Agreement, including, without limitation, all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, listing application fees, printing, word processing, telephone, messenger and delivery expenses, transfer agent’s and registrar’s fees, cost of distributing Prospectuses in preliminary and final form as well as any supplements thereto, and fees and disbursements of counsel for the Company and all independent certified public accountants and other Persons retained by the Company (all such expenses being herein called “**Registration Expenses**”) (but not including any fees and expenses of counsel representing Holder, which shall be borne by Holder), shall be borne by the Company (whether or not any Registration Statement is declared effective or any of the transactions described herein is consummated). In addition, the Company shall pay the expense of any annual audit or quarterly review. The obligation of the Company to bear the Registration Expenses described in Section 4(a) shall apply only to two Demand Registrations and unlimited Piggyback Registrations irrespective of whether a registration, once properly demanded, if applicable, is withdrawn by Holder.

Section 5. Indemnification.

(a) The Company shall indemnify and hold harmless, to the fullest extent permitted by law, Holder, its officers, directors, partners, managers, members, equity holders and Affiliates, employees and agents of Holder, and each Person, if any, who controls Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) from and against all losses, claims, damages, liabilities, judgments and expenses (including, without limitation, the reasonable fees (including attorneys’ fees) and other expenses incurred in connection with any suit, action, investigation or proceeding or any claim asserted) caused by, arising out of, in connection with or based upon, any untrue or alleged untrue statement of material fact contained in any Registration Statement, Prospectus (including any preliminary Prospectus) or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in the case of the Prospectus in the light of the circumstances under which they were made, not misleading or any violation or alleged violation by the Company of the Securities Act, the Exchange Act, applicable “blue sky” laws or any rule or regulation promulgated thereunder, except insofar as the same are made in reliance and in conformity with information relating to Holder furnished in writing to the Company by Holder expressly for use therein or caused by Holder’s failure to deliver to Holder’s immediate purchaser a copy of the Prospectus or any amendments or supplements thereto (if the same was required by applicable law to be so delivered) after the Company has furnished Holder with a sufficient number of copies of the same.

(b) In connection with any Registration Statement in which Holder is participating, Holder shall furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such Registration Statement or Prospectus and shall indemnify, to the fullest extent permitted by law, the Company, its officers, directors, Affiliates, and each Person who “controls” the Company within the meaning of the Securities Act (excluding Holder itself, if applicable), against all losses, claims, damages, liabilities and expenses arising out of or based upon any untrue or alleged untrue statement of material fact contained in the Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in the case of the Prospectus in the light of the circumstances under which they were made, not misleading, but only to the extent that the same are made in reliance and in conformity with information relating to Holder furnished in writing to the Company by Holder expressly for use therein or caused by Holder’s failure to deliver to Holder’s immediate purchaser a copy of the Prospectus or any amendments or supplements thereto (if the same was required by applicable law to be so delivered) after the Company has furnished Holder with a sufficient number of copies of the same. In no event will the liability of Holder hereunder be greater in amount than the dollar amount of the proceeds (net of payment of all expenses) received by Holder upon the sale of the Registrable Common Stock giving rise to such indemnification obligation.

(c) Any Person entitled to indemnification hereunder shall give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification; *provided, however*, that the failure to so notify the indemnifying party will not relieve the indemnifying party from any obligation or liability except to the extent that the indemnifying party has been prejudiced materially by such failure. Unless in such indemnified party’s reasonable judgment it determines that a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, such indemnifying party shall assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld, conditioned or delayed). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel total for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party there may be one or more legal or equitable defenses available to such indemnified party which are in addition to or may conflict with those available to another indemnified party with respect to such claim. No indemnifying party shall, without the prior written consent of the indemnified party, consent to entry of any judgment or enter into any settlement or other compromise (i) which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation or (ii) which includes any statement of admission of fault, culpability or failure to act by or on behalf of such indemnified party. The indemnifying party shall not be entitled to assume or maintain control of the defense of any claim if (i) the claim relates to or arises in connection with any criminal proceeding, action, indictment or allegation, (ii) the claim seeks an injunction or equitable relief against the indemnified party or any of its Affiliates or (iii) the indemnifying party has failed or is failing to prosecute or defend the claim.

(d) The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and shall survive the transfer of Registrable Common Stock or the termination of this Agreement.

(e) If the indemnification provided for in or pursuant to this Section 5 is unavailable, unenforceable or insufficient to hold harmless any indemnified Person in respect of any losses, claims, damages, liabilities or expenses referred to herein, then each applicable 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 on the one hand and of the indemnified party on the other in connection with the statements or omissions which result in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative fault of the indemnifying party on the one hand and of the indemnified party on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party, and by each such party's respective intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

Section 6. Rule 144. The Company covenants that it will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder in accordance with the requirements of the Securities Act and the Exchange Act and it will take such further action as Holder may reasonably request to make available adequate current public information with respect to the Company meeting the current public information requirements of Rule 144(c) under the Securities Act, to the extent required to enable Holder to sell Registrable Common Stock without registration under the Securities Act within the limitation of the exemptions provided by (i) Rule 144 under the Securities Act, as such Rule may be amended from time to time, or (ii) any similar rule or regulation hereafter adopted by the SEC. Upon the request of Holder, the Company will deliver to Holder a written statement as to whether it has complied with such information and requirements.

Section 7. Miscellaneous.

(a) *Notices.* Any notice or other communication required or permitted to be given under this Agreement shall be in writing, shall be delivered personally, by registered or certified mail, postage prepaid, or by overnight courier; and shall be deemed given (i) upon delivery, if delivered personally; (ii) 3 days after deposit in the mails, if mailed; or (iii) the next Business Day, if delivered by overnight courier, to the addresses set forth in the April 2020 Purchase Agreement. If to a transferee Holder, to the address of Holder set forth in the transfer documentation provided to the Company; or such other address or facsimile number as any such party (or transferee) may hereafter specify for the purpose by notice to the other parties.

(b) *No Waivers.* No failure or delay by any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be exclusive, unless otherwise provided by applicable law.

(c) *Successors and Assigns.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. **The registration rights set forth in this Agreement are transferable only to each transferee of Registrable Common Stock who is an Affiliate of the Investor. Each subsequent holder of Registrable Common Stock who is a permitted transferee must consent in writing to be bound by the terms and conditions of this Agreement in order to acquire the rights granted pursuant to this Agreement.**

(d) *Governing Law; Venue.* This Agreement shall be construed and enforced in accordance with the substantive laws of the State of Minnesota, without reference to principles of conflicts of law. Each of the parties irrevocably submits to the exclusive jurisdiction and venue of the state or federal courts located in Minnesota, in any action or proceeding arising out of, or relating to, this Agreement, irrevocably consents to the service of process by registered mail or personal service and agrees that all claims in respect of the action or proceeding may be heard and determined in any such court, and agrees not to bring any action or proceeding arising out of, or relating to, this Agreement in any other court unless and until the foregoing court renders a final order that it lacks, and cannot acquire, the necessary jurisdiction, and either all appeals have been exhausted or the order is no longer appealable. Each of the parties irrevocably waives, to the fullest extent permitted by applicable law, any defense of inconvenient forum to the maintenance of any action or proceeding so brought, any objection which it may have or hereafter have as to personal jurisdiction, the laying of the venue of any such action or proceeding brought in any such court and waives any bond, surety or other security that might be required of any other Party with respect thereto.

(e) *Waiver of Jury Trial.* EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(f) *Counterparts; Effectiveness.* This Agreement may be executed in any number of counterparts, and by the parties in separate counterparts and delivered by facsimile or other means of electronic transmission (including PDF) each of which shall be deemed to be one and the same instrument and an original document.

(g) *Entire Agreement.* This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, between the parties hereto with respect to the transactions contemplated herein. Other than as expressly provided in this Agreement, no provision of this Agreement or any other agreement contemplated hereby is intended to confer on any Person other than the parties hereto any rights or remedies.

(h) *Captions.* The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

(i) *Severability.* If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party or third party beneficiary hereto. Upon such a determination, the parties and any applicable third-party beneficiaries hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

(j) *Amendments.* The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given without the prior written consent of both parties.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Registration Rights Agreement has been duly executed by each party hereto as of the date first written above.

COMPANY:
iMEDIA BRANDS, INC.

/s/ Landel Hobbs

Landel Hobbs, *Chair of the Board*

IN WITNESS WHEREOF, this Registration Rights Agreement has been duly executed by each party hereto as of the date first written above.

INVESTORS:

INVICTA MEDIA INVESTMENTS, LLC

/s/ Eyal Lalo

Eyal Lalo, *Owner*

IN WITNESS WHEREOF, this Registration Rights Agreement has been duly executed by each party hereto as of the date first written above.

INVESTORS:

MICHAEL & LEAH FRIEDMAN, JTWROS

/s/ Michael Friedman

_____ **Michael Friedman**

/s/ Leah Friedman

_____ **Leah Friedman**

IN WITNESS WHEREOF, this Registration Rights Agreement has been duly executed by each party hereto as of the date first written above.

INVESTORS:
HACIENDA JACKSON LLC

/s/ Alberto Romano Guakil
Alberto Romano Guakil, Member

INVESTORS

Invicta Media Investments, LLC
Michael & Leah Friedman
Hacienda Jackson LLC

Registration Rights Agreement

Exhibit A

IMEDIA BRANDS, INC.

MANAGEMENT INCENTIVE PLAN

In order to provide an additional incentive to eligible employees to contribute to the success of iMedia Brands, Inc. (the “*Company*”), the Company has adopted this Management Incentive Plan (the “*Plan*”) under which annual cash bonus awards (the “*Awards*”) may be provided to eligible employees. As set forth in this Plan, the grant of Awards is within the discretion of the Human Resources and Compensation Committee (the “*Committee*”) of the Company’s Board of Directors (the “*Board*”), and the payment of these Awards is subject to several contingencies, including the attainment of performance goals approved by the Committee that are based on one or more performance measures described below.

1. Eligibility. Any employee of the Company or any of its subsidiaries is eligible to participate in the Plan. The Committee will designate those employees who are to be participants in the Plan for each calendar year performance period. Designation by the Committee as a participant for a specific performance period does not confer on an employee the right to participate in the Plan during any other performance periods.

2. Grant of Performance Awards. The Committee will designate which employees may participate in the Plan and be granted Awards for each performance period. Awards may be granted to participants in such amounts and on such terms as may be determined by the Committee, consistent with the terms of the Plan. At the time an Award is made, the Committee will specify the terms and conditions that will govern the Award, which will include that the Award will be earned upon, and to the extent that, one or more performance goals based on one or more of the performance measures specified in Section 3 have been attained over the course of the applicable performance period. Different terms and conditions may be established by the Committee for different Awards and for different participants. The terms of individual Awards will be set forth in such written or electronic notices as the Committee may prescribe.

3. Performance Measures. The performance measures upon which performance goals applicable to Awards under the Plan may be based shall be one or a combination of two or more of the following: revenues; gross profit; income from operations; net income; earnings before income taxes; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; earnings before interest, taxes, depreciation, amortization and share-based compensation expense; earnings before interest, taxes, depreciation and amortization, excluding non-operating gains (losses), executive and management transition costs, contract termination costs, business development and expansion costs, loss on debt extinguishment, and non-cash share-based compensation expense; net income per share (basic or diluted); profitability as measured by return ratios (including, but not limited to, return on assets, return on equity, return on investment and return on revenues or gross profit) or by the degree to which any of the foregoing earnings measures exceed a percentage of revenues or gross profit; cash flow; market share; margins (including, but not limited to, one or more of gross, operating and net earnings margins); stock price; total shareholder return; asset quality; non-performing assets; revenue growth; cash flow per share; operating assets; balance of cash, cash equivalents and marketable securities; improvement in or attainment of expense levels or cost savings; economic value added; improvement in or attainment of working capital levels; employee retention; customer satisfaction; and implementation or completion of critical projects. Any performance measure utilized may be expressed in absolute amounts, on a per share basis, as a growth rate or change from preceding periods, or as a comparison to the performance of specified companies or other external measures, and may relate to one or any combination of corporate, group, unit, division, subsidiary or individual performance.

4. Adjustments to Performance Measures or Goals. In connection with establishing or applying the performance goals applicable to any performance period, the Committee may adjust the performance goals or the performance measures on which they are based to equitably reflect, in the Committee's judgment, the impact of (i) events during the performance period that are unusual in nature or infrequently occurring (including, but not limited to, acquisitions, divestitures, restructuring activities or asset write-downs), (ii) changes in applicable tax laws or accounting principles, or (iii) equity restructurings, reorganizations or other changes in corporate capitalization.

5. Determination of Award Amounts Payable. Following the completion of each performance period, the Committee will determine the degree to which the applicable performance goals were attained and the corresponding Award amounts that would be payable to participants based on such attainment. The Committee is authorized, in its sole and absolute discretion and based on such factors as it deems relevant, to increase or decrease (including to zero) the amount of an Award that would otherwise be payable to any participant based on attainment of applicable performance goals.

6. Payment of Awards. The amount of any Award determined by the Committee to be payable to a participant will be paid to the participant in a lump sum cash payment (less applicable withholding taxes) as soon as practicable following the Committee's determination of the Award amount, but in no event later than two and one-half months after the end of the calendar year during which the applicable performance period ended. As a condition to receiving any payment of an Award under this Plan, a participant must continue to be employed by the Company or one of its subsidiaries on the date of payment. If a participant's employment with the Company and its subsidiaries terminates for any reason (whether voluntary, involuntary, as a result of death or disability, or with or without cause) at any time prior to the date of payment, no payment under the Plan will be made.

7. Administration. The Committee shall have power to make Awards and to determine when and to whom Awards will be granted, and the form, amount and other terms and conditions of each Award, subject to the provisions of this Plan. The Committee shall have the authority to interpret this Plan and any Award made under this Plan, to establish, amend, waive and rescind any rules relating to the administration of this Plan, and to make all other determinations necessary or advisable for the administration of this Plan. The Committee may correct any defect, supply any omission or reconcile any inconsistency in this Plan or in any Award in the manner and to the extent it shall deem desirable. The determinations of the Committee in the administration of this Plan shall be final, binding and conclusive. The Committee may delegate all or any portion of its authority under the Plan to any one or more of its members or, as to Awards to participants or eligible employees who are not executive officers of the Company, to one or more executive officers of the Company.

8. Miscellaneous.

(a) Effective Date and Term. The Plan shall become effective as of April 14, 2020, and shall remain in effect until it has been terminated pursuant to Section 8(d).

(b) No Right to Employment. Nothing in the Plan or any Award notice constitutes or implies (i) any obligation or undertaking to employ or retain a participant for any period of time or in any position, or (ii) any limitation on the right of the Company to terminate a participant's employment at any time with or without notice or cause.

(c) Tax and Other Withholding. Any payments under the Plan will be subject to withholding of all taxes and other amounts required by law to be withheld or paid to others. The Company may, in its discretion and to the full extent permitted by law, apply a payment otherwise payable to a participant under the Plan to pay any amounts, debts or claims owed to the Company by such participant, until all such amounts, debts and claims are paid in full.

(d) Amendment, Modification and Termination of the Plan. The Board or Committee may at any time terminate, suspend or modify the Plan and the terms and provisions of any Award to any participant which has not yet been paid. No Award may be granted during any suspension of the Plan or after its termination.

(e) Unfunded Plan. The Plan shall be unfunded, and the Company shall not be required to segregate any assets that may at any time be represented by Awards under the Plan. No participant shall, by virtue of this Plan, have any interest in any specific assets of the Company.

(f) Other Benefit Programs. Payments received by a participant under an Award made pursuant to the Plan shall not be deemed a part of the participant's regular recurring compensation for purposes of the termination, indemnity or severance pay law of any state and shall not be included in, nor have any effect on, the determination of benefits under any other employee benefit plan, contract or similar arrangement provided by the Company unless expressly so provided by such other plan, contract or arrangement, or unless the Committee expressly determines otherwise.

(g) Governing Law. The Plan and all determinations made and actions taken pursuant to the Plan shall be governed by the laws of the State of Minnesota without regard to its conflicts-of-law principles, and shall be construed accordingly.

(h) Non-Transferability. No Award may be sold, assigned, transferred, exchanged or encumbered, voluntarily or involuntarily.

IMEDIA BRANDS, INC.

**Performance Stock Unit Award Agreement
(Under the 2011 Omnibus Incentive Plan)**

iMedia Brands, Inc. (the "Company"), pursuant to its 2011 Omnibus Incentive Plan (the "Plan"), hereby grants to you, the Participant named below, an award of Performance Stock Units. The terms and conditions of this Award are set forth in this Performance Stock Unit Award Agreement (the "Agreement"), consisting of this cover page, the Terms and Conditions on the following pages and the attached Annex A, and in the Plan document, a copy of which has been provided to you. Any capitalized term that is used but not defined in this Agreement shall have the meaning assigned to it in the Plan as it currently exists or as it is amended in the future.

Name of Participant:	\
Target Number of Performance Stock Units:	
Grant Date:	
Measurement Period:	
Scheduled Vesting Date:	
Performance Goals:	See <u>Annex A</u>
* Assumes your Service has been continuous from the Grant Date to the vesting date.	

By signing below or otherwise evidencing your acceptance of this Agreement in a manner approved by the Company, you agree to all of the terms and conditions contained in this Agreement and in the Plan document. You acknowledge that you have received and reviewed these documents. With respect to this Award, if there is any conflict between the provisions of this Agreement and any other agreement between you and the Company (including any employment agreement), the provisions of this Agreement will govern.

PARTICIPANT:

IMEDIA BRANDS, INC.:

By: _____

IMEDIA BRANDS, INC.
Performance Stock Unit Award Agreement

Terms and Conditions

1. **Award of Performance Stock Units.** The Company hereby confirms the grant to you, as of the Grant Date and subject to the terms and conditions of this Agreement and the Plan, of an award of Performance Stock Units (the “Units”) in an amount initially equal to the Target Number of Performance Stock Units specified on the cover page of this Agreement. The number of Units that may actually be earned and become eligible to vest pursuant to this Award can be between 0% and 125% of the Target Number of Units. Each Unit that is earned as a result of the performance goals specified in Annex A to this Agreement having been satisfied and which thereafter vests represents the right to receive one Share of the Company’s common stock. Prior to their settlement or forfeiture in accordance with the terms of this Agreement, the Units granted to you will be credited to a performance stock unit account in your name maintained by the Company. This account will be unfunded and maintained for book-keeping purposes only, with the Units simply representing an unfunded and unsecured contingent obligation of the Company.

2. **Vesting and Forfeiture of Units.** The Units shall vest at the earliest of the following times and to the degree specified.

(a) **Determination of Units Earned; Scheduled Vesting.** The Human Resources and Compensation Committee (the “Committee”) will determine (i) the degree to which the applicable performance goals for the Measurement Period have been satisfied, and (ii) the number of Units that have been earned during the Measurement Period, each as determined in accordance with Annex A as soon as practicable following the Measurement Period (but in no event later than the 15th day of the third calendar month after the end of the calendar year during which the Measurement Period ended). The earned Units, if any, will vest on the earlier of (i) the Scheduled Vesting Date set forth on the cover page of this Agreement and (ii) the occurrence of an event described in Section 4(b), so long as your Service has been continuous from the Grant Date to the Scheduled Vesting Date.

(b) **Change in Control.** The effect of a Change in Control on the Units is set forth in Section 12 of the Plan. If an accelerated vesting event occurs pursuant to Section 12 of the Plan prior to the end of the Measurement Period, the words “fully vest” in Section 12 of the Plan shall mean that the Target Number of Performance Stock Units set forth on the cover page of this Agreement shall vest (i.e., the Units shall vest at the 100% level).

(c) **Forfeiture of Unvested Units.** Any Units that do not vest on the applicable vesting date as provided in this Section 2 shall immediately be forfeited. If your Service terminates prior to the Scheduled Vesting Date under circumstances other than as set forth in Section 2, all unvested Units shall immediately be forfeited.

3. **Settlement of Units.** As soon as practicable after any date on which Units vest (but no later than the 15th day of the third calendar month following the applicable vesting date), the Company shall cause to be issued and delivered to you one Share in payment and settlement of each vested Unit. Delivery of the Shares shall be effected by the issuance of a stock certificate to you, by an appropriate entry in the stock register maintained by the Company’s transfer agent with a notice of issuance provided to you, or by the electronic delivery of the Shares to a brokerage account, and shall be subject to the tax withholding provisions of Section 5 and compliance with all applicable legal requirements as provided in Section 18(c) of the Plan, and shall be in complete satisfaction and settlement of such vested Units. The Company will pay any original issue or transfer taxes with respect to the issue and transfer of Shares to you pursuant to this Agreement, and all fees and expenses incurred by it in connection therewith. If the Units that vest include a fractional Unit, the Company shall round the number of vested Units to the nearest whole Unit prior to issuance of Shares as provided herein.

4. **No Shareholder Rights.** The Units subject to this Award do not entitle you to any rights of a holder of the Company's common stock. You will not have any of the rights of a shareholder of the Company in connection with any Units granted or earned pursuant to this Agreement unless and until Shares are issued to you in settlement of earned and vested Units as provided in Section 3.
5. **Withholding Taxes.** No Shares will be delivered to you in settlement of vested Units unless you have made arrangements acceptable to the Company for payment of any federal, state, local or foreign withholding taxes that may be due as a result of the delivery of the Shares. You hereby authorize the Company (or any Affiliate) to withhold from payroll or other amounts payable to you any sums required to satisfy such withholding tax obligations, and otherwise agree to satisfy such obligations in accordance with the provisions of Section 14 of the Plan. You may elect to satisfy such withholding tax obligations by having the Company withhold a number of Shares that would otherwise be issued to you in settlement of the Units and that have a Fair Market Value equal to the amount of such withholding tax obligations by notifying the Company of such election.
6. **Restrictions on Transfer.** You may not sell, transfer, or otherwise dispose of or pledge or otherwise hypothecate or assign the Units. Any such attempted sale, transfer, disposition, pledge, hypothecation or assignment shall be null and void.
7. **Choice of Law.** This Agreement will be interpreted and enforced under the laws of the state of Minnesota (without regard to its conflicts or choice of law principles).
8. **Binding Effect.** This Agreement will be binding in all respects on your heirs, representatives, successors and assigns, and on the successors and assigns of the Company.
9. **Discontinuance of Service.** This Agreement does not give you a right to continued Service with the Company or any Affiliate, and the Company or any such Affiliate may terminate your Service at any time and otherwise deal with you without regard to the effect it may have upon you under this Agreement.
10. **Section 409A of the Code.** The award of Units as provided in this Agreement and any issuance of Shares or payment pursuant to this Agreement are intended to be exempt from Section 409A of the Code under the short-term deferral exception specified in Treas. Reg. § 1.409A-1(b)(4).
11. **Notices.** Every notice or other communication relating to this Agreement shall be in writing and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided. Unless and until some other address is so designated, all notices or communications by you to the Company shall be mailed or delivered to the Company at its office at 6740 Shady Oak Road, Eden Prairie, MN 55344, and all notices or communications by the Company to you may be given to you personally or may be mailed to you at the address indicated in the Company's records as your most recent mailing address.

By signing the cover page of this Agreement or otherwise accepting this Agreement in a manner approved by the Company, you agree to all the terms and conditions described above and in the Plan document.



iMedia Brands Reports Fourth Quarter and Full Year 2019 Results

*Company Achieves Strategic Milestones in Nine-Month Turnaround
\$4 Million Financing to Improve Working Capital on April 14th*

MINNEAPOLIS, MN – April 15, 2020 – iMedia Brands, Inc. (NASDAQ: IMBI) today announced results for the fourth quarter ended February 1, 2020 and full fiscal year 2019.

Fourth Quarter 2019 Summary & Recent Highlights

- Q4 net sales of \$124 million declined 22% compared to prior year. Half of this decline was expected and attributable to the company’s recent customer file decline. Three one-time events drove the additional decline: (i) scheduling conflicts in December with top two beauty brands; (ii) reduction in consumer electronic (CE) products due to the largest CE vendors requiring “cash in advance” payment terms; and (iii) reduction in watch revenues resulting from management’s strategy to reverse its five-plus year customer file decline by reducing the average selling price to capture more new customers.
- Successfully flattened a five-plus year continuous viewership decline on ShopHQ in November.
- Successfully launched Bulldog Shopping Network in November, the first of its kind focused on men.
- *Learning to Cook with Shaq* premiered in March 2020 and posted highest weekday viewership in ten months.
- Reestablished compliance with Nasdaq listing requirements.
- Completed acquisition of Float Left Interactive, a leading technology provider delivering Over-The-Top (OTT) content and TV-everywhere solutions to media companies seeking to reach audiences through the OTT and smart TV distribution models.
- Completed acquisition of J.W. Hulme, an iconic, 114-year-old American brand offering artisan-crafted accessories and apparel via e-commerce, catalogs and one flagship retail store in St. Paul, Minnesota.
- Consolidated net loss of \$18.4 million compared to \$10.0 million last year driven primarily by a \$4.1 million increase in transaction, settlement and integration, restructuring and rebranding costs for ShopHQ, and a \$2.0 million increased loss in the company’s emerging business segment.
- ShopHQ Adjusted EBITDA of (\$7.0 million) compared to (\$5.2 million) for same period last year. Emerging Business Adjusted EBITDA of (\$2.2 million) compared to (\$0.2 million) for same period last year.
- \$4 million private investment led by Eyal Lalo, Invicta’s CEO and iMedia Vice Chairman, entered into on April 14th, further strengthening the company’s working capital.

CEO Commentary

“First and foremost, in terms of the COVID-19 situation and these uncertain and stressful times, iMedia continues to be focused on taking every necessary step to keep its employees, vendors, customers, guests, and their families safe,” said Tim Peterman, CEO of iMedia Brands. “We are also focused on continuing to provide our customers with the products and services they love, and we feel very fortunate our company remains operational and relevant so we can continue to build value for our shareholders.”

Peterman continued, “In terms of Q4 performance, from a ShopHQ revenue perspective, it was a mixed report card. We achieved significant viewership, customer file, and product assortment successes, but we also absorbed revenue pressure from three unplanned events. With that being said, I’m proud of how our teams reacted to reduce the probability of reoccurrence.”



“Financially, our turnaround continues. In our first nine months since May 2019 when I rejoined as CEO, we materially reduced the company’s adjusted EBITDA loss compared to the prior nine months.”

“Strategically, Q4 is when we really began to demonstrate our plan to grow our portfolio of engaging niche television networks, niche national advertisers and complementary media services. We launched Bulldog and our membership service, ShopHQ VIP. We acquired two important new businesses that will further accelerate our evolution into a profitable, growing interactive media company.”

Fourth Quarter and Full Year 2019 Results

SUMMARY RESULTS AND KEY OPERATING METRICS (\$ Millions, except average selling price and EPS)

	Q4 2019 2/1/2020	Q4 2018 2/2/2019	Change	F'19 2/1/2020	F'18 2/2/2019	Change
Net Sales	\$ 123.6	\$ 157.6	(21.6%)	\$ 501.8	\$ 596.6	(15.9%)
Gross Margin %	30.0%	29.5%	50 bps	32.6%	34.7%	(210 bps)
Adjusted EBITDA	\$ (9.1)	\$ (5.4)	(70%)	\$ (18.4)	\$ (2.4)	(660%)
Net Income (Loss)	\$ (18.4)	\$ (10.0)	(84%)	\$ (56.3)	\$ (22.2)	(154%)
EPS	\$ (2.30)	\$ (1.50)	(53%)	\$ (7.54)	\$ (3.35)	(125%)
Net Shipped Units (000s)	1,645	2,408	(32%)	6,872	9,235	(26%)
Average Selling Price (ASP)	\$ 67	\$ 60	12%	\$ 65	\$ 58	12%
Return Rate %	18.4%	18.4%	0 bps	19.4%	19.0%	40 bps
Digital Net Sales %	53.9%	54.9%	(100 bps)	52.8%	53.1%	(30 bps)
Total Customers - 12 Month Rolling (000s)	1,041	1,205	(14%)	N/A	N/A	N/A
% of ShopHQ Net Merchandise Sales by Category						
Jewelry & Watches	41%	35%		44%	38%	
Home & Consumer Electronics	32%	33%		23%	25%	
Beauty & Wellness	15%	17%		18%	19%	
Fashion & Accessories	12%	15%		15%	18%	
Total	100%	100%		100%	100%	

Liquidity and Capital Resources

As of February 1, 2020, total unrestricted cash was \$10.3 million compared to \$16.6 million at the end of the third quarter of fiscal 2019. The Company also had an additional \$5.6 million of unused availability on its revolving credit facility.

Also, as announced in a press release today, iMedia entered into a financing agreement to sell \$4 million of common stock priced at market to investors that include, among others, Invicta Media Investments, an affiliate of Eyal Lalo, the Company’s Vice Chair, as well as current director Michael Friedman. Proceeds will be used for general working capital purposes.



In light of the macro economic conditions and COVID-19, the Company is closely monitoring any impact to its operations, supply chain, liquidity or financial results.

Outlook

In terms of our outlook, because of COVID-19, we are not providing guidance currently. We believe that television retailing will be less impacted than other businesses because we serve our customers without them ever leaving their homes.

Conference Call

The company will hold a conference call today at 8:30 a.m. Eastern time to discuss its fourth quarter 2019 results.

Date: Wednesday, April 15, 2020
Toll-free dial-in number: (877) 407-9039
International dial-in number: (201) 689-8470
Conference ID: 13700243

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Gateway Investor Relations at (949) 574-3860.

The conference call will be broadcast live and available for replay [here](#) and via the investor relations section of the iMedia Brands website at www.imediabrands.com.

A replay of the conference call will be available after 11:30 a.m. Eastern time on the same day through April 29, 2020.

Toll-free replay number: (844) 512-2921
International replay number: (412) 317-6671
Replay ID: 13700243

About iMedia Brands, Inc.

iMedia Brands, Inc. (Nasdaq: IMBI) is a leading interactive media company that manages a growing portfolio of niche lifestyle television networks, niche advertisers and complementary media services in North America. Its brand portfolio spans multiple business models and product categories and includes ShopHQ, Bulldog Shopping Network, Float Left Interactive, J.W. Hulme and iMedia 3PL Services. Please visit www.imediabrands.com for more investor information.



Contacts:

Investors:

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**iMEDIA BRANDS, INC.
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**
(In thousands except share and per share data)

	February 1, 2020 (Unaudited)	February 2, 2019
ASSETS		
Current assets:		
Cash	\$ 10,287	\$ 20,485
Restricted cash equivalents	-	450
Accounts receivable, net	63,594	81,763
Inventories	78,863	65,272
Prepaid expenses and other	8,196	9,053
Total current assets	160,940	177,023
Property and equipment, net	47,616	51,118
Other assets	4,187	1,846
Total Assets	<u>\$ 212,743</u>	<u>\$ 229,987</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 83,659	\$ 56,157
Accrued liabilities	40,250	37,374
Current portion of long term credit facility	2,714	2,488
Current portion of operating lease liabilities	704	-
Deferred revenue	141	35
Total current liabilities	127,468	96,054
Other long term liabilities	335	50
Long term credit facilities	66,246	68,932
Total liabilities	194,049	165,036
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, \$.01 par value, 40,000 shares authorized; zero shares issued and outstanding	-	-
Common stock, \$.01 par value, 14,960,000 and 9,960,000 shares authorized; 8,208,227 and 6,791,934 shares issued and outstanding	82	68
Additional paid-in capital	452,833	442,808
Accumulated deficit	(434,221)	(377,925)
Total shareholders' equity	18,694	64,951
Total Liabilities and Shareholders' Equity	<u>\$ 212,743</u>	<u>\$ 229,987</u>



**iMEDIA BRANDS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS**

(Unaudited)

(In thousands, except share and per share data)

	<u>For the Three-Month Periods Ended</u>		<u>For the Twelve-Month Periods Ended</u>	
	<u>February 1, 2020</u>	<u>February 2, 2019</u>	<u>February 1, 2020</u>	<u>February 2, 2019</u>
Net sales	\$ 123,639	\$ 157,619	\$ 501,822	\$ 596,637
Cost of sales	86,607	111,052	338,185	389,790
Gross profit	37,032	46,567	163,637	206,847
Margin %	30.0%	29.5%	32.6%	34.7%
Operating expense:				
Distribution and selling	41,870	47,744	170,587	191,917
General and administrative	7,795	6,429	25,611	25,883
Depreciation and amortization	1,823	1,562	8,057	6,243
Restructuring costs	2,485	-	9,166	-
Executive and management transition costs	313	661	2,741	2,093
Gain on sale of television station	-	(665)	-	(665)
Total operating expense	54,286	55,731	216,162	225,471
Operating loss	(17,254)	(9,164)	(52,525)	(18,624)
Other income (expense):				
Interest income	2	6	17	34
Interest expense	(1,169)	(811)	(3,777)	(3,502)
Total other expense	(1,167)	(805)	(3,760)	(3,468)
Loss before income taxes	(18,421)	(9,969)	(56,285)	(22,092)
Income tax benefit (provision)	33	(5)	(11)	(65)
Net loss	\$ (18,388)	\$ (9,974)	\$ (56,296)	\$ (22,157)
Net loss per common share	\$ (2.30)	\$ (1.50)	\$ (7.54)	\$ (3.35)
Net loss per common share ---assuming dilution	\$ (2.30)	\$ (1.50)	\$ (7.54)	\$ (3.35)
Weighted average number of common shares outstanding:				
Basic	7,990,381	6,657,092	7,462,380	6,607,321
Diluted	7,990,381	6,657,092	7,462,380	6,607,321



**iMEDIA BRANDS, INC.
AND SUBSIDIARIES
PERFORMANCE MEASURES BY SEGMENT
(Unaudited)
(\$ in Millions)**

	<u>For the Three-Month Period Ended February 1, 2020</u>			<u>For the Three-Month Period Ended February 2, 2019</u>		
	<u>ShopHQ</u>	<u>Emerging</u>	<u>Consolidated</u>	<u>ShopHQ</u>	<u>Emerging</u>	<u>Consolidated</u>
Net Sales	\$ 120.5	\$ 3.1	\$ 123.6	\$ 156.2	\$ 1.5	\$ 157.6
Operating Loss	(14.6)	(2.6)	(17.3)	(8.5)	(0.6)	(9.2)
Net Loss	(15.8)	(2.6)	(18.4)	(9.4)	(0.6)	(10.0)
Adjusted EBITDA	(7.0)	(2.2)	(9.1)	(5.2)	(0.2)	(5.4)

	<u>For the Twelve-Month Period Ended February 1, 2020</u>			<u>For the Twelve-Month Period Ended February 2, 2019</u>		
	<u>ShopHQ</u>	<u>Emerging</u>	<u>Consolidated</u>	<u>ShopHQ</u>	<u>Emerging</u>	<u>Consolidated</u>
Net Sales	\$ 496.1	\$ 5.7	\$ 501.8	\$ 590.2	\$ 6.4	\$ 596.6
Operating Loss	(47.0)	(5.6)	(52.5)	(17.2)	(1.5)	(18.6)
Net Loss	(50.7)	(5.6)	(56.3)	(20.7)	(1.5)	(22.2)
Adjusted EBITDA	(14.9)	(3.5)	(18.4)	(1.5)	(0.9)	(2.4)



**iMEDIA BRANDS, INC.
AND SUBSIDIARIES**
Reconciliation of Net Loss to Adjusted EBITDA:
(Unaudited)
(in thousands)

	<u>For the Three-Month Period Ended February 1, 2020</u>			<u>For the Three-Month Period Ended February 2, 2019</u>		
	<u>ShopHQ</u>	<u>Emerging</u>	<u>Consolidated</u>	<u>ShopHQ</u>	<u>Emerging</u>	<u>Consolidated</u>
Net loss	\$ (15,764)	\$ (2,624)	\$ (18,388)	\$ (9,353)	\$ (621)	\$ (9,974)
Adjustments:						
Depreciation and amortization	2,698	124	2,822	2,473	24	2,497
Interest income	(2)	-	(2)	(6)	-	(6)
Interest expense	1,169	-	1,169	811	-	811
Income taxes	(33)	-	(33)	5	-	5
EBITDA (as defined)	<u>\$ (11,932)</u>	<u>\$ (2,500)</u>	<u>\$ (14,432)</u>	<u>\$ (6,070)</u>	<u>\$ (597)</u>	<u>\$ (6,667)</u>

A reconciliation of EBITDA to Adjusted EBITDA is as follows:

EBITDA (as defined)	\$ (11,932)	\$ (2,500)	\$ (14,432)	\$ (6,070)	\$ (597)	\$ (6,667)
Adjustments:						
Restructuring costs	2,389	96	2,485	-	-	-
Executive and management transition costs	313	-	313	661	-	661
Rebranding costs	473	-	473	-	-	-
Transaction, settlement and integration costs, net (a)	1,282	216	1,498	63	338	401
Gain on sale of television station	-	-	-	(665)	-	(665)
Non-cash share-based compensation expense	521	-	521	858	26	884
Adjusted EBITDA	<u>\$ (6,954)</u>	<u>\$ (2,188)</u>	<u>\$ (9,142)</u>	<u>\$ (5,153)</u>	<u>\$ (233)</u>	<u>\$ (5,386)</u>

	<u>For the Twelve-Month Period Ended February 1, 2020</u>			<u>For the Twelve-Month Period Ended February 2, 2019</u>		
	<u>ShopHQ</u>	<u>Emerging</u>	<u>Consolidated</u>	<u>ShopHQ</u>	<u>Emerging</u>	<u>Consolidated</u>
Net loss	\$ (50,727)	\$ (5,569)	\$ (56,296)	\$ (20,706)	\$ (1,451)	\$ (22,157)
Adjustments:						
Depreciation and amortization	11,395	619	12,014	10,065	99	10,164
Interest income	(17)	-	(17)	(34)	-	(34)
Interest expense	3,777	-	3,777	3,502	-	3,502
Income taxes	11	-	11	65	-	65
EBITDA (as defined)	<u>\$ (35,561)</u>	<u>\$ (4,950)</u>	<u>\$ (40,511)</u>	<u>\$ (7,108)</u>	<u>\$ (1,352)</u>	<u>\$ (8,460)</u>

A reconciliation of EBITDA to Adjusted EBITDA is as follows:

EBITDA (as defined)	\$ (35,561)	\$ (4,950)	\$ (40,511)	\$ (7,108)	\$ (1,352)	\$ (8,460)
Adjustments:						
Restructuring costs	8,228	938	9,166	-	-	-
Executive and management transition costs	2,741	-	2,741	2,093	-	2,093
Rebranding costs	1,265	-	1,265	-	-	-
Inventory Impairment write-down	6,050	-	6,050	-	-	-
Transaction, settlement and integration costs, net (b)	266	428	694	1,142	407	1,549
Gain on sale of television station	-	-	-	(665)	-	(665)
Non-cash share-based compensation expense	2,152	52	2,204	3,038	26	3,064
Adjusted EBITDA	<u>\$ (14,859)</u>	<u>\$ (3,532)</u>	<u>\$ (18,391)</u>	<u>\$ (1,500)</u>	<u>\$ (919)</u>	<u>\$ (2,419)</u>

- (a) Transaction, settlement and integration costs, net, for the quarter ended February 1, 2020 of \$1.5 million includes contract settlement costs, costs incurred to effect a reverse stock split and business acquisition and integration-related costs. Transaction, settlement and integration costs, net, for the quarter ended February 2, 2019 includes business development and expansion costs of \$401,000.
- (b) Transaction, settlement and integration costs, net, for year ended February 1, 2020 of \$0.7 million includes \$2.2 million of costs for contract settlement costs, business acquisition and integration-related costs to acquire Float Left and J.W. Hulme; costs incurred related to the implementation of our ShopHQ

VIP customer program and our third-party logistics service offerings and costs incurred to effect a reverse stock split, partially offset by a \$1.5 million gain for the sale of our claim related to the Payment Card Interchange Fee and Merchant Discount Antitrust Litigation class action lawsuit. Transaction, settlement and integration costs, net, for year ended February 2, 2019 includes business development and expansion costs of \$796,000 and contract termination costs of \$753,000.



Adjusted EBITDA

EBITDA represents net income (loss) for the respective periods excluding depreciation and amortization expense, interest income (expense) and income taxes. The Company defines Adjusted EBITDA as EBITDA excluding non-operating gains (losses); executive and management transition costs; restructuring costs; rebranding costs; non-cash impairment charges and write downs; transaction, settlement, and integration costs, net; gain on sale of television station and non-cash share-based compensation expense. The Company has included the “Adjusted EBITDA” measure in its EBITDA reconciliation in order to adequately assess the operating performance of its television and online businesses and in order to maintain comparability to its analyst's coverage and financial guidance, when given. Management believes that the Adjusted EBITDA measure allows investors to make a meaningful comparison between its business operating results over different periods of time with those of other similar companies. In addition, management uses Adjusted EBITDA as a metric to evaluate operating performance under the Company’s management and executive incentive compensation programs. Adjusted EBITDA should not be construed as an alternative to operating income (loss), net income (loss) or to cash flows from operating activities as determined in accordance with generally accepted accounting principles (“GAAP”) and should not be construed as a measure of liquidity. Adjusted EBITDA may not be comparable to similarly entitled measures reported by other companies. The Company has included a reconciliation of the comparable GAAP measure, net income (loss) to Adjusted EBITDA in this release.



Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This document may contain certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements contained herein that are not statements of historical fact, including statements regarding rebranding, savings from cost reductions, expected changes in the merchandise mix and its impact, expectations arising from our partnership with Shaquille O’Neal, plans for LaVenta, expected advantages to pursue restructuring and operational changes, guidance, industry prospects, or future results of operations or financial position are forward-looking. The Company often use words such as anticipates, believes, estimates, expects, intends, seeks, predicts, hopes, should, plans, will and similar expressions to identify forward-looking statements. These statements are based on management's current expectations and accordingly are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, including (but not limited to): variability in consumer preferences, shopping behaviors, spending and debt levels; the general economic and credit environment, including COVID-19; interest rates; seasonal variations in consumer purchasing activities; the ability to achieve the most effective product category mixes to maximize sales and margin objectives; competitive pressures on sales and sales promotions; pricing and gross sales margins; the level of cable and satellite distribution for the Company’s programming and the associated fees or estimated cost savings from contract renegotiations; the Company’s ability to establish and maintain acceptable commercial terms with third-party vendors and other third parties with whom the Company has contractual relationships, and to successfully manage key vendor and shipping relationships and develop key partnerships and proprietary and exclusive brands; the ability to manage operating expenses successfully and the Company’s working capital levels; the ability to remain compliant with the Company’s credit facilities covenants; customer acceptance of the Company’s branding strategy and its repositioning as a video commerce company; the ability to respond to changes in consumer shopping patterns and preferences, and changes in technology and consumer viewing patterns; changes to the Company’s management and information systems infrastructure; challenges to the Company’s data and information security; changes in governmental or regulatory requirements; including without limitation, regulations of the Federal Communications Commission and Federal Trade Commission, and adverse outcomes from regulatory proceedings; litigation or governmental proceedings affecting the Company’s operations; significant events (including disasters, weather events or events attracting significant television coverage) that either cause an interruption of television coverage or that divert viewership from its programming; disruptions in the Company’s distribution of its network broadcast to customers; the Company’s ability to protect its intellectual property rights; our ability to obtain and retain key executives and employees; the Company’s ability to attract new customers and retain existing customers; changes in shipping costs; expenses related to the actions of activist or hostile shareholders; the Company’s ability to offer new or innovative products and customer acceptance of the same; changes in customer viewing habits of television programming; and the risks identified under Item 1A(Risk Factors) in the Company’s most recently filed Form 10-K and any additional risk factors identified in its periodic reports since the date of such Form 10-K. More detailed information about those factors is set forth in the Company’s filings with the Securities and Exchange Commission, including its annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. the Company’s is under no obligation (and expressly disclaim any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.



iMedia Announces \$4 Million Equity Financing

**- Strategic Investment Led by Invicta Media Investments and iMedia Director Michael Friedman -
- Current CEO Tim Peterman Also Appointed to the Company's Board of Directors -**

MINNEAPOLIS, MN – April 15, 2020 – iMedia Brands, Inc. (NASDAQ: IMBI) today announced that it entered into a financing agreement to sell \$4 million of common stock priced at market to investors that include, among others, Invicta Media Investments, an affiliate of Eyal Lalo, the Company's Vice Chair, as well as current director Michael Friedman. Proceeds will be used for general working capital purposes. The initial closing of \$1.5 million is expected to occur on April 17, 2020, with subsequent closings to follow.

The shares were priced at \$2.0425 per share, and include 50% warrant coverage with a strike price of \$2.66 per share (a 30% premium to the purchase price).

Tim Peterman, iMedia's CEO, said "This financing led by Invicta underscores their confidence in our turnaround progress and support for our longer-term growth plan. I cannot say enough about Eyal Lalo's contributions to our efforts."

In addition to the financing, Tim Peterman was appointed to serve on iMedia's board of directors. Commenting on the appointment, iMedia Chairman Landel Hobbs said: "Tim has shown his dedication to this company for many years, including his current role of orchestrating a turnaround that we expect will result in a well-diversified, profitable media organization. Given his efforts and expertise, we felt his addition to our board represents our shareholders well."

About iMedia Brands, Inc.

iMedia Brands, Inc. (Nasdaq: IMBI) is a leading interactive media company that manages a growing portfolio of niche lifestyle television networks, niche advertisers and complimentary media services in North America. Its brand portfolio spans multiple business models and product categories and includes ShopHQ, Bulldog Shopping Network, Float Left Interactive, J.W. Hulme and iMedia 3PL Services. Please visit www.imediabrands.com for more investor information.



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This document may contain certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements contained herein that are not statements of historical fact, including statements regarding financing, use of proceeds, the turnaround of our business and financial performance, the future diversification of our business and future profitability, are forward-looking. The Company often use words such as anticipates, believes, estimates, expects, intends, seeks, predicts, hopes, should, plans, will and similar expressions to identify forward-looking statements. These statements are based on management's current expectations and accordingly are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, including (but not limited to): variability in consumer preferences, shopping behaviors, spending and debt levels; the general economic and credit environment; interest rates; seasonal variations in consumer purchasing activities; the ability to achieve the most effective product category mixes to maximize sales and margin objectives; competitive pressures on sales and sales promotions; pricing and gross sales margins; the level of cable and satellite distribution for the Company’s programming and the associated fees or estimated cost savings from contract renegotiations; the Company’s ability to establish and maintain acceptable commercial terms with third-party vendors and other third parties with whom the Company has contractual relationships, and to successfully manage key vendor and shipping relationships and develop key partnerships and proprietary and exclusive brands; the ability to manage operating expenses successfully and the Company’s working capital levels; the ability to remain compliant with the Company’s credit facilities covenants; customer acceptance of the Company’s branding strategy and its repositioning as a video commerce company; the ability to respond to changes in consumer shopping patterns and preferences, and changes in technology and consumer viewing patterns; changes to the Company’s management and information systems infrastructure; challenges to the Company’s data and information security; changes in governmental or regulatory requirements; including without limitation, regulations of the Federal Communications Commission and Federal Trade Commission, and adverse outcomes from regulatory proceedings; litigation or governmental proceedings affecting the Company’s operations; significant events (including disasters, weather events or events attracting significant television coverage) that either cause an interruption of television coverage or that divert viewership from its programming; disruptions in the Company’s distribution of its network broadcast to customers; the Company’s ability to protect its intellectual property rights; our ability to obtain and retain key executives and employees; the Company’s ability to attract new customers and retain existing customers; changes in shipping costs; expenses related to the actions of activist or hostile shareholders; the Company’s ability to offer new or innovative products and customer acceptance of the same; changes in customer viewing habits of television programming; and the risks identified under Item 1A(Risk Factors) in the Company’s most recently filed Form 10-K and any additional risk factors identified in its periodic reports since the date of such Form 10-K. More detailed information about those factors is set forth in the Company’s filings with the Securities and Exchange Commission, including its annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. the Company’s is under no obligation (and expressly disclaim any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.



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