

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): September 15, 2020

LIVEXLIVE MEDIA, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-38249

(Commission File Number)

98-0657263

(I.R.S. Employer
Identification No.)

9200 Sunset Boulevard, Suite #1201

West Hollywood, CA 90069

(Address of principal executive offices) (Zip Code)

(310) 601-2500

(Registrant's telephone number, including area code)

n/a

(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 (see General Instruction A.2. below):

- ☐ 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, \$0.001 par value per share	LIVX	The 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.

Effective as of September 15, 2020 (the “Closing Date”), LiveXLive Media, Inc. (the “Company”) (i) completed the sale and issuance of the Company’s 8.5% Senior Secured Convertible Notes in the aggregate principal amount of \$15.0 million (the “Notes”) to a certain existing institutional investor (the “Purchaser”), for cash gross proceeds of \$15.0 million (the “Financing”), pursuant to the Securities Purchase Agreement, dated as of July 2, 2020, as amended on July 30, 2020 (as amended, the “SPA”), and (ii) issued to the Purchaser 800,000 shares (the “Shares”) of the Company’s common stock, \$0.001 par value per share (the “Common Stock”). The Notes and the Shares were issued as restricted securities in a private placement transaction exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”). In connection with the closing of the Financing, the Purchaser assigned the Notes and the Shares to the Purchaser’s fund assignees (the “Assignees”). The Company intends to use the net proceeds of the Financing for working capital and general corporate purposes.

The Notes mature on the 2nd anniversary of the Closing Date, accrue interest at 8.5% per year with interest is payable quarterly in cash in arrears, and are convertible into shares of Common Stock at a conversion price of \$4.50 per share at the applicable Assignee’s option, subject to certain customary adjustments such as stock splits, stock dividends and stock combinations (the “Conversion Price”). The Company does not have the right to prepay any or all of the Notes prior to their maturity.

The Company’s obligations under the Notes may be accelerated upon the occurrence of certain customary events of default or a Change of Control Transaction (as defined in the Notes) and are guaranteed under a Subsidiary Guarantee, dated as of the Closing Date (the “Subsidiary Guarantee”), entered into by all of the Company’s subsidiaries (the “Guarantors”) in favor of the Assignees. The Company’s obligations under the Notes and the Guarantors’ obligations under the Subsidiary Guarantee are secured under a Security Agreement, dated as of the Closing Date (the “Security Agreement”), and an Intellectual Property Security Agreement, dated as of the Closing Date (the “IP Security Agreement”), by a lien on all of the Company’s and the Guarantors’ assets and intellectual property, subject to certain exceptions.

The Company and the Assignees also entered into a Registration Rights Agreement, dated as of the Closing Date (the “RRA”), which grants the Assignees “demand” and “piggyback” registration rights to register the shares of Common Stock issuable upon the conversion of the Notes and the Shares (collectively, the “Registrable Securities”) with the U.S. Securities and Exchange Commission (the “SEC”) for resale or other disposition. Pursuant to the RRA, the Company is required to file with the SEC a resale Registration Statement on Form S-3 (or another suitable form) as soon as reasonably practical after the Closing Date, but in any event within 30 days after the Closing Date (the “Filing Date”), and have such Registration Statement be declared effective by the SEC on the date (the “Effectiveness Date”) which is the earlier of (i)(x) in the event that the initial Registration Statement is not subject to a full review by the SEC, 45 calendar days after the Filing Date, or (y) in the event that such initial Registration Statement is subject to a full review by the SEC, 90 calendar days after the Filing Date, and (ii) the fifth Business Day after the date the Company is notified by the SEC that such initial Registration Statement will not be reviewed or will not be subject to further review. Upon the occurrence of certain events (each an “Event”), including, but not limited to, that the initial Registration Statement is not filed prior to the Filing Date or is not declared effective by the SEC prior to the Effectiveness Date, the Company will be required to pay liquidated damages in cash to each of the Assignees in the amount of 2.0% of the purchase price of the Notes paid by such Assignee upon the date of the Event and then monthly thereafter until the Event is cured. In no event shall the aggregate amount of liquidated damages payable to each of the Assignees exceed in the aggregate 15% of the purchase price of the Notes paid by such Assignee. The Company also agreed to keep the initial Registration Statement continuously effective until the earliest to occur of (i) the date on which all of the Registrable Securities registered thereunder have been sold and (ii) the date on which all of the Registrable Securities covered by such Registration Statement may be sold without volume restriction pursuant to Rule 144 under the Securities Act.

In connection with the SPA, Robert S. Ellin, the Company’s CEO, Chairman, director and principal stockholder, agreed not to dispose of any equity securities of the Company owned by Mr. Ellin or any entity of which he is the beneficial owner and not to cease to be the beneficial owner of any other equity securities of the Company of which Mr. Ellin is the beneficial owner as of the Closing Date until the Notes are paid in full (subject to certain customary exceptions), without the Purchaser’s prior written consent.

The foregoing description of the SPA, the Notes, the Subsidiary Guarantee, the Security Agreement, the IP Security Agreement and the RRA (collectively, the “Financing Documents”) is a summary only, does not purport to be complete and is qualified in its entirety by reference to the full texts of the Notes, the SPA, the SPA amendment, the Subsidiary Guarantee, the Security Agreement, the IP Security Agreement and the RRA which are filed as Exhibits 4.1, 4.2, 10.1, 10.2, 10.3, 10.4, 10.5 and 10.6, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

The representations, warranties and covenants contained in the Financing Documents were made only for purposes of such respective agreement and as of specific dates, are solely for the benefit of the parties to the Financing Documents, and are subject to exceptions and limitations agreed upon by the contracting parties. Accordingly, the Financing Documents are incorporated herein by reference only to provide investors with information regarding the terms of the Financing Documents, and not to provide investors with any other factual information regarding the Company or its business, and should be read in conjunction with the disclosures in the Company’s periodic reports and other filings with the SEC.

The Notes and the Shares were issued in private placement transaction that will not registered under the Securities Act, in reliance upon applicable exemptions from registration under Section 4(a)(2) of the Securities Act and/or Rule 506 of Regulation D promulgated thereunder.

Item 1.02 Termination of a Material Definitive Agreement.

The information set forth in Item 8.01 below is incorporated herein by reference.

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

The information set forth in Item 1.01 above is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth in Item 1.01 above is incorporated herein by reference.

Item 8.01 Other Events.

On August 31, 2020, as previously announced, the Company fully repaid its senior secured convertible debentures issued to its former senior lenders on June 29, 2018, as amended, as provided in such debentures. In connection with such repayment, all of the agreements among the Company, its subsidiary guarantors and the senior lenders and their collateral agent were terminated, provided, that the Company’s indemnification obligations in the Securities Purchase Agreement, dated as of June 29, 2018, as amended, between the Company and the senior lenders shall survive on the terms therein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
4.1*	<u>8.5% Senior Secured Convertible Note, dated as of September 15, 2020, issued by the Company to Harvest Small Cap Partners, L.P.</u>
4.2*	<u>8.5% Senior Secured Convertible Note, dated as of September 15, 2020, issued by the Company to Harvest Small Cap Partners Master, Ltd.</u>
10.1†	<u>Securities Purchase Agreement, dated as of July 2, 2020, between the Company and the Purchaser. (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on July 6, 2020)</u>
10.2†	<u>Amendment No. 1 to Securities Purchase Agreement, dated as of July 30, 2020, between the Company and the Purchaser (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K/A, filed with the SEC on August 5, 2020).</u>
10.3*	<u>Subsidiary Guarantee, dated as of September 15, 2020, made by each of the Guarantors, in favor of the Secured Party (as defined therein).</u>
10.4*	<u>Security Agreement, dated as of September 15, 2020, among the Company, the Guarantors and the Secured Party (as defined therein).</u>
10.5*	<u>Intellectual Property Security Agreement, dated as of September 15, 2020, among the Company, the Guarantors and the Secured Party (as defined therein).</u>
10.6*	<u>Registration Rights Agreement, dated as of September 15, 2020, among the Company and the Buyer (as defined therein).</u>

* Filed herewith.

† Certain confidential information has been omitted or redacted from this exhibit that is not material and would likely cause competitive harm to the Company if publicly disclosed.

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.

LIVEXLIVE MEDIA, INC.

Dated: September 21, 2020

By: /s/ Robert S. Ellin

Name: Robert S. Ellin

Title: Chief Executive Officer and
Chairman of the Board of Directors

THE OFFER AND SALE OF THIS SECURITY AND THE SECURITIES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, THIS SECURITY AND THE SECURITIES ISSUABLE HEREUNDER MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY AND THE SECURITIES ISSUABLE HEREUNDER MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

Original Issue Date: September 15, 2020

\$4,496,035

**8.5% SENIOR SECURED CONVERTIBLE NOTE
DUE SEPTEMBER 15, 2022**

THIS 8.5% SENIOR SECURED CONVERTIBLE NOTE of LiveXLive Media, Inc., a Delaware corporation, (the “Company”), having its principal place of business at 9200 Sunset Boulevard, Suite #1201, West Hollywood, California 90069 (this note, as amended, restated, supplemented or otherwise modified from time to time, the “Note”) and is issued pursuant to the Purchase Agreement (as defined below).

FOR VALUE RECEIVED, the Company promises to pay in cash to HARVEST SMALL CAP PARTNERS, L.P., a Delaware limited partnership, or its registered assigns (the “Holder”), or shall have paid pursuant to the terms hereunder, the principal sum of \$4,496,035 on September 15, 2022 (the “Maturity Date”) or such earlier date as this Note is required or permitted to be repaid as provided hereunder, and to pay interest to the Holder on the aggregate then outstanding principal amount of this Note in accordance with the provisions hereof. This Note is subject to the following additional provisions:

Section 1. Definitions. For the purposes hereof, in addition to the terms defined elsewhere in this Note, (a) capitalized terms not otherwise defined herein shall have the meanings set forth in the Purchase Agreement and (b) the following terms shall have the following meanings:

“Account Control Agreement(s)” means any agreement entered into by and among Holder, Company or any Subsidiary and a third party bank or other institution (including a securities intermediary) in which Company or any Subsidiary maintains a deposit account or an account holding investment property and which grants Holder a perfected security interest in the subject account or accounts.

“Applicable Interest Rate” means an annual rate equal to 8.5%; provided, however, following the occurrence and during the continuance of an Event of Default, the “Applicable Interest Rate” shall automatically, without notice or any other action required by Holder, mean an annual rate equal to 11.5%.

“Bad Boy Conduct” shall have the meaning set forth in Section 8(k).

“Bankruptcy Event” means any of the following events: (a) the Company or any Significant Subsidiary thereof commences a case or other proceeding under any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction relating to the Company or any Significant Subsidiary thereof (b) there is commenced against the Company or any Significant Subsidiary thereof any such case or proceeding that is not dismissed within 60 days after commencement, (c) the Company or any Significant Subsidiary thereof is adjudicated insolvent or bankrupt or any order of relief or other order approving any such case or proceeding is entered, (d) the Company or any Significant Subsidiary thereof suffers any appointment of any custodian or the like for it or any substantial part of its property that is not discharged or stayed within 60 calendar days after such appointment, (e) the Company or any Significant Subsidiary thereof makes a general assignment for the benefit of creditors, (f) the Company or any Significant Subsidiary thereof calls a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts, (g) the Company or any Significant Subsidiary thereof, by any act or failure to act, expressly indicates its consent to, approval of or acquiescence in any of the foregoing or takes any corporate or other action for the purpose of effecting any of the foregoing, or (h) the Company or any Significant Subsidiary admits in writing its inability, or is otherwise unable, to pay its debts generally as they become due.

“Beneficial Ownership Limitation” shall have the meaning set forth in Section 4(i).

“Bloomberg” means Bloomberg, L.P.

“Broker Undertaking” shall have the meaning set forth in Section 6(b).

“Buy-In” shall have the meaning set forth in Section 4(f).

“Capital Stock” of any Person means any and all shares of, interests in, rights to purchase, warrants or options for, participations in, or other equivalents of, in each case however designated, the equity of such Person, but excluding any debt securities convertible into such equity.

“Change of Control Transaction” means the occurrence after the date hereof of any of (a) an acquisition after the date hereof by an individual or legal entity or “group” (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) (other than a Permitted Holder) of effective control (whether through legal or beneficial ownership of Capital Stock of the Company, by contract or otherwise) of in excess of 50% of the voting securities of the Company (other than by means of conversion or exercise of the Note), (b) the Company merges into or consolidates with any other Person, or any Person merges into or consolidates with the Company and, after giving effect to such transaction, the stockholders of the Company immediately prior to such transaction and Permitted Holders own less than 50% of the aggregate voting power of the Company or the successor entity of such transaction, or (c) the Company Disposes of all or substantially all of its assets to another Person other than a direct or indirect wholly-owned Domestic Subsidiary that is Guarantor and has executed a joinder to the Security Agreement at the time of such Disposition or that becomes a Guarantor and executes a joinder to the Security Agreement concurrently with such disposition and, in any case, the Holder has been given 10 Business Days prior written notice of such Disposition.

“Close of Business” means 5:00 p.m., New York City time.

“Collateral” shall have the meaning given such term in the Security Agreement.

“Commission” means the U.S. Securities Exchange Commission.

“Common Stock Change Event” shall have the meaning set forth in Section 5(g).

“Common Stock Equivalents” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

“Company Counsel” means Foley Shechter Ablovatskiy LLP, 1359 Broadway, 20th Floor, Suite 2001, New York, NY 10018.

“Company Non-Compliance Notice” shall have the meaning set forth in Section 6(b).

“Conversion Date” shall have the meaning set forth in Section 4(b)(i).

“Conversion Price” shall have the meaning set forth in Section 4(b)(ii).

“Conversion Share Delivery Date” shall have the meaning set forth in Section 4(b)(iii).

“Conversion Shares” means, collectively, the shares of Common Stock issuable upon conversion of this Note pursuant to Section 4(b).

“Delivery Date” means with respect to Conversion Shares, the applicable Conversion Share Delivery Date.

“Delivery Failure” has the meaning set forth Section 4(e).

“Dispose” and “Disposition” means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction or by way of a merger) of any assets or property by any Person, including, without limitation, any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person, excluding any sales of inventory in the ordinary course of business on ordinary business terms.

“Disqualified Stock” shall mean, with respect to any person, any Equity Interests of such Person that, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (except as a result of a Change of Control Transaction so long as any rights of the holders thereof upon the occurrence of a Change of Control Transaction shall be subject to the prior repayment in full of the Note), (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Stock.

“Dollar Volume Limitation” means 15% of the aggregate dollar trading volume of the Common Stock on the Principal Market (or other applicable Trading Market) over the 20 consecutive Trading Day period ending on the Trading Day immediately preceding the commencement of any Interest Notice Period. For the purposes of this definition, the term “dollar trading volume” for any VWAP Trading Day shall be determined by multiplying the VWAP by the volume as reported on Bloomberg for such VWAP Trading Day.

“Domestic Subsidiary” means any Subsidiary that is incorporated or organized under the laws of any state of the United States or the District of Columbia, other than any such Subsidiary owned directly or indirectly by a Foreign Subsidiary.

“DTC” means the Depository Trust Company.

“Equity Conditions” means, during the period in question, (a) the Company shall not have failed to duly honor any conversions scheduled to occur or occurring by virtue of one or more Notices of Conversion (b) the Company shall have paid all liquidated damages and other amounts owing to the Holder in respect of this Note, (c) all of the shares of Common Stock issued, issuable or required to be issued pursuant to the Transaction Documents are Freely Transferrable, (d) the Common Stock is trading on a Trading Market and all shares of Common Stock issued, issuable or required to be issued pursuant to Section 2(a) of this Note are listed or quoted (or approved for such listing or quotation, subject to notice of issuance) for trading on such Trading Market (and the Company believes, in good faith, that trading of the Common Stock on a Trading Market will continue uninterrupted for the foreseeable future) and the issuance of such shares of Common Stock pursuant to the Transaction Documents would not violate the rules and regulations of any such Trading Market, (e) there is a sufficient number of authorized but unissued and otherwise unreserved shares of Common Stock for the issuance of all of the shares then issuable pursuant to the Transaction Documents, (f) there is no existing Event of Default and no existing event which, with the expiration of a cure period or the giving of notice, would constitute an Event of Default, (g) the issuance of the shares of Common Stock in question to the Holder would not violate the limitations set forth in Section 4(i), (h) there has been no public announcement of a pending or proposed Fundamental Transaction or Change of Control Transaction that has not been consummated, (i) the applicable Holder is not in possession of any information provided by or on behalf of the Company that constitutes, or may constitute, material non-public information, (j) the VWAP of the Common Stock is at least \$1.50 per share (proportionately adjusted for any stock split, stock dividend, stock combination or other similar transaction) on each Trading Day, and (k) the Common Stock is DTC eligible (and not subject to “chill”) and the Company’s transfer agent is participating in DTC’s Fast Automated Securities Transfer Program.

“Equity Interests” means, with respect to any Person, all of the shares of Capital Stock of (or other ownership or profit interests in) such Person, all Common Stock Equivalents, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of Capital Stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of Capital Stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“Event of Default” shall have the meaning set forth in Section 7(a).

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

“Ex-Dividend Date” means, with respect to an issuance, dividend or distribution on the Common Stock, the first date on which shares of Common Stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive such issuance, dividend or distribution (including pursuant to due bills or similar arrangements required by the relevant stock exchange). For the avoidance of doubt, any alternative trading convention on the applicable exchange or market in respect of the Common Stock under a separate ticker symbol or CUSIP number will not be considered “regular way” for this purpose.

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

“Free Cash” means unencumbered, unrestricted cash of the Company or any Guarantor (other than encumbrances or restrictions arising under the Transaction Documents) on deposit in one or more bank accounts subject to Account Control Agreements.

“Freely Transferrable” means, with respect to any Note Shares issued or issuable to the Holder, that either:

(a) such Note Shares may be resold by the Holder pursuant to Rule 144 without volume or manner-of-sale restrictions (each as provided in Rule 144) as reasonably determined by Company Counsel; provided, however, this clause (a) shall not be deemed satisfied during (1) any period that the Company is not in compliance with the current public information requirements under Rule 144(c) or any information requirements of paragraph (i) of Rule 144, in each case if applicable, or (2) any Rule 12b-25 extension period with respect to any quarterly or annual report of the Company that is not filed by the prescribed due date therefor (for the avoidance of doubt, without giving effect to such extension period); or

(b) a “resale” registration statement under the Securities Act, in customary form, is effective under the Securities Act, registering the resale of such Note Shares by Holder and names Holder as a selling security holder thereunder, and such “resale” registration statement is reasonably acceptable to the Holder.

“Fundamental Transaction” means (a) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (b) the Company, directly or indirectly, effects any sale, lease, exclusive license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (c) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (d) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock (but, for the avoidance of doubt, excluding any transaction, event or occurrence covered by Section 5(a)) or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, (e) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or Affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination).

“Governmental Authority” means any national, supranational, federal, state, county, provincial, local, municipal or other government or political subdivision thereof (including any Regulatory Authority), whether domestic or foreign, and any agency, authority, commission, ministry, instrumentality, regulatory body, court, tribunal, arbitrator, central bank or other Person exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to any such government.

“Guarantor” means any Subsidiary that has guaranteed the Company’s obligations hereunder and granted to the Holder a security interest in substantially all of the assets of such Subsidiary.

“Indebtedness” of a Person shall include (a) all obligations for borrowed money or the deferred purchase price of property or services (excluding trade credit or accounts payable incurred in the ordinary course of business that are not more than 60 days past due), (b) all obligations evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, surety bonds, bankers acceptances, current swap agreements, interest rate hedging agreements, interest rate swaps or other financial products, (c) all capital lease obligations, (d) all obligations or liabilities secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed by such Person, (e) any obligation arising with respect to any other transaction that is the functional equivalent of borrowing but which does not constitute a liability on the balance sheets of such Person, (f) Disqualified Stock, and (g) any obligation guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse) any of the foregoing obligations of any other Person.

“Interest Notice Period” means, with respect to each Interest Payment Date, the 20 consecutive Trading Days immediately preceding such Interest Payment Date.

“Interest Payment Date” shall have the meaning set forth in Section 2(a).

“Interest Share Amount” shall have the meaning set forth in Section 2(a).

“Investments” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition (including by merger) of Equity Interests of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person.

“Last Reported Sale Price” of the Common Stock for any Trading Day means the closing sale price per share (or, if no closing sale price is reported, the average of the last bid price and the last ask price per share or, if more than one in either case, the average of the average last bid prices and the average last ask prices per share) of Common Stock on such Trading Day as reported in composite transactions for the Principal Market. If the Common Stock is not listed on a U.S. national or regional securities exchange on such Trading Day, then the Last Reported Sale Price will be the last quoted bid price per share of Common Stock on such Trading Day in the over-the-counter market as reported by OTC Markets Group Inc. or a similar organization. If the Common Stock is not so quoted on such Trading Day, then the Last Reported Sale Price will be the average of the mid-point of the last bid price and the last ask price per share of Common Stock on such Trading Day from a nationally recognized independent investment banking firm selected by (and at the cost of) the Company; provided such firm shall be reasonably acceptable to the Holder.

“Lien” means any mortgage, deed of trust, pledge, hypothecation, assignment for security, security interest, encumbrance, levy, lien or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, against any property, any conditional sale or other title retention agreement, and any lease in the nature of a security interest.

“Market Disruption Event” means, with respect to any date, the occurrence or existence, during the one-half hour period ending at the scheduled close of trading on such date on the Principal Market, of any material suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Common Stock or in any options, contracts or futures contracts relating to the Common Stock.

“Note Register” shall have the meaning set forth in Section 2(c).

“Note Shares” means all Conversion Shares.

“Notice of Conversion” shall have the meaning set forth in Section 4(b)(i).

“Open of Business” means 9:00 a.m., New York City time.

“Original Issue Date” means September 15, 2020, regardless of any transfers of the Note or amendments to the Note and regardless of the number of instruments which may be issued to evidence the Note.

“Permitted Holder” means (a) Robert S. Ellin, (b) any Affiliate of Robert S. Ellin, provided, that such Robert S. Ellin is the record and beneficial owner of at least 67% of the voting securities of such Affiliate, (c) the parents, spouse or lineal descendants of Robert S. Ellin (it being understood that lineal descendants include children by adoption) and/or (d) any trust, the beneficiaries of which include only Robert S. Ellin or the persons identified in clause (c).

“Permitted Lien” means the individual and collective reference to the following: (a) Liens for taxes, assessments and other governmental charges or levies not yet due or Liens for taxes, assessments and other governmental charges or levies being contested in good faith and by appropriate proceedings for which adequate reserves (in the good faith judgment of the management of the Company) have been established in accordance with GAAP, (b) Liens imposed by law which were incurred in the ordinary course of the Company’s business, such as carriers’, warehousemen’s, materialmen’s and mechanics’ Liens, statutory landlords’ Liens, and other similar Liens arising in the ordinary course of the Company’s business, and which (x) do not individually or in the aggregate materially detract from the value of the property or assets subject to such Lien or materially impair the use thereof in the operation of the business of the Company and its consolidated Subsidiaries or (y) are being contested in good faith by appropriate proceedings, which proceedings have the effect of preventing for the foreseeable future the forfeiture or sale of the property or asset subject to such Lien, (c) Liens in favor of the Holder, (d) Liens for reasonable and customary banking fees granted to banks or other financial institutions in the ordinary course of business in connection with, and which solely encumber, deposit, disbursement or concentration accounts (other than in connection with borrowed money) maintained with such banks or financial institutions that do not exceed \$50,000 in the aggregate, (e) Liens in connection with Indebtedness incurred by lease obligations and purchase money indebtedness, incurred in connection with the acquisition of capital assets and lease obligations with respect to newly acquired or leased assets, provided that such lease obligations and purchase money indebtedness are only recourse to the assets being acquired or leased, (f) Liens consisting of deposits or pledges made in the ordinary course of business in connection with workers’ compensation, unemployment, social security and similar laws, (g) Liens in favor of any existing lenders in connection with any Subsidiary acquired after the Original Issuance Date, provided that such Lien only encumbers the assets of such after acquired Subsidiary, (h) Liens existing on the Original Issuance Date which are disclosed on Schedule A, and (i) Liens which the Holder has consented to in writing.

“Person” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

“Principal Market” means the Nasdaq Capital Market or such other Trading Market where the Common Stock is then listed or quoted.

“Public Information Failure” shall have the meaning set forth in the Purchase Agreement.

“Purchase Agreement” means the Securities Purchase Agreement, dated as of July 2, 2020, among the Company and Holder, as amended, modified or supplemented from time to time in accordance with its terms.

“Reference Property” shall have the meaning set forth in Section 5(g).

“Reference Property Unit” shall have the meaning set forth in Section 5(g).

“Requisite Stockholder Approval” means any and all stockholder approvals that would be required under the listing standards of the Nasdaq Capital Market to permit the Company to settle interest on this Note in shares of Common Stock pursuant to Section 2.

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

“Significant Subsidiary” shall have the meaning set forth in Rule 1-02(w) of Regulation S-X, but shall exclude LiveXLive Tickets, Inc.

“Spin-Off” shall have the meaning set forth in Section 5(c)(ii).

“Spin-Off Valuation Period” shall have the meaning set forth in Section 5(c)(ii).

“Stock Payment Price” means, with respect to the Interest Shares Advance Date or Interest Payment Date in question, the lesser of (a) 90% of the average of the 3 lowest VWAPs during the 20 consecutive VWAP Trading Day period immediately preceding such date and (b) the Conversion Price in effect on such date; provided, however, that the Stock Payment Price will in no event be less than \$1.00 per share (proportionately adjusted for any stock split, stock dividend, stock combination or other similar transaction).

“Subsidiary” means an entity, whether corporate, partnership, limited liability company, joint venture or otherwise, in which the Company owns or controls 25% or more of the outstanding voting securities, including each entity listed on Schedule B hereto.

“Successor Entity” shall have the meaning set forth in Section 5(g).

“Tender/Exchange Offer Expiration Date” shall have the meaning set forth in Section 5(e).

“Tender/Exchange Offer Expiration Time” shall have the meaning set forth in Section 5(e).

“Tender/Exchange Offer Valuation Period” shall have the meaning set forth in Section 5(e).

“Trading Day” means any day on which (a) trading in the Common Stock generally occurs on the principal Trading Market; and (b) there is no Market Disruption Event. If the Common Stock is not so listed or traded, then “Trading Day” means a Business Day.

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

“VWAP” means, for any VWAP Trading Day, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such VWAP Trading Day (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported under the heading “Bloomberg VWAP” on Bloomberg page “LIVX <EQUITY> AQR” (or, if such page is not available, its equivalent successor page), in respect of the period from 9:30 a.m. (local time in New York City, New York) to 4:00 p.m. (local time in New York City, New York) or (b) if such volume-weighted average price is unavailable, the fair market value of a share of Common Stock as of such VWAP Trading Day as determined by a nationally recognized independent investment banking firm selected by (and at the cost of) the Company.

“VWAP Market Disruption Event” means, with respect to any date, (a) the failure by a principal Trading Market to open for trading during its regular trading session on such date; or (b) the occurrence or existence, for more than one half hour period in the aggregate, of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Common Stock or in any options, contracts or futures contracts relating to the Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m., New York City time, on such date.

“VWAP Trading Day” means a day on which (a) there is no VWAP Market Disruption Event; and (b) trading in the Common Stock generally occurs on the principal Trading Market.

Section 2. Interest; No Prepayment.

(a) Payment of Interest in Cash. The Company shall pay interest to the Holder on the aggregate then outstanding principal amount of this Note at the Applicable Interest Rate, payable quarterly in arrears as of the last Trading Day of each fiscal quarter (beginning with the fiscal quarter ending September 30, 2020) and on the Maturity Date (each such date, an “Interest Payment Date”), in cash. The Note shall not be prepaid without written consent of Holder.

(b) [Intentionally Deleted]

(c) Interest Calculations. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months, and shall accrue daily (but without compounding) commencing on the Original Issue Date until payment in full of the outstanding principal (including, for the avoidance of doubt, any original issue discount), together with all accrued and unpaid interest, liquidated damages and other amounts which may become due hereunder, has been made. Interest hereunder will be paid to the Person in whose name this Note is registered on the records of the Company regarding registration and transfers of this Note (the “Note Register”) or such Person’s designee identified to the Company in writing

Section 3. Registration of Transfers and Exchanges.

(a) Different Denominations. This Note is exchangeable for an equal aggregate principal amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be payable for such registration of transfer or exchange.

(b) Investment Representations. This Note has been issued subject to certain investment representations of the original Holder set forth in the Purchase Agreement and may be transferred or exchanged only in compliance with the Purchase Agreement and applicable federal and state securities laws and regulations.

(c) Reliance on Note Register. Prior to due presentment for transfer to the Company of this Note, the Company and any agent of the Company may treat the Person in whose name this Note is duly registered on the Note Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

Section 4. Voluntary Conversion; Delivery of Note Shares.

(a) Intentionally Omitted.

(b) Voluntary Conversion.

(i) Voluntary Conversion. Commencing on the Original Issue Date, and thereafter from time to time until this Note is no longer outstanding, this Note shall be convertible, in whole or in part having a principal amount that is an integral multiple of \$1,000 (or such lesser principal amount of this Note as may then be outstanding), into shares of Common Stock at the option of the Holder, subject to the conversion limitations set forth in Section 4(i). The Holder shall effect conversions by delivering to the Company a Notice of Conversion, the form of which is attached hereto as Annex A (each, a “Notice of Conversion”), specifying therein the principal amount of this Note to be converted. The date such Notice of Conversion is deemed delivered hereunder will be deemed to be the “Conversion Date.” No ink-original Notice of Conversion shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Conversion form be required. To effect conversions hereunder, the Holder shall not be required to physically surrender this Note to the Company unless the entire principal amount of this Note, plus all accrued and unpaid interest thereon, has been so converted. Conversions hereunder shall have the effect of lowering the outstanding principal amount of this Note in an amount equal to the applicable conversion. The Holder and the Company shall maintain records showing the principal amount(s) converted and the date of such conversion(s). In the event of any dispute or discrepancy, the records of the Holder shall be controlling and determinative in the absence of manifest error. The Holder, and any assignee by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note may be less than the amount stated on the face hereof.

(ii) Conversion Price. The conversion price in effect on any Conversion Date shall be equal to \$4.50, subject to adjustment as provided herein (the “Conversion Price”).

(iii) Conversion Shares Issuable Upon Conversion of Principal Amount; Delivery Date. The number of Conversion Shares issuable upon a conversion hereunder shall be determined by the quotient obtained by dividing (x) the outstanding principal amount of this Note to be converted (plus, to extent the Company so elects pursuant to the immediately following sentence, accrued and unpaid interest thereon to, but excluding, the applicable Conversion Date) by (y) the Conversion Price in effect on the applicable Conversion Date. Upon conversion of any portion of this Note, accrued and unpaid interest on such converted portion to, but excluding, the applicable Conversion Date will be paid, at the Company’s election, either (A) in cash to be delivered on or before the related Conversion Share Delivery Date or (B) by adding such accrued and unpaid interest to the amount referred to in clause (x) above; provided, however, that the Company will not have the right to, and will not, elect to pay such accrued and unpaid interest in the manner provided in clause (B) above if such election is not then permitted by the listing standards of the Principal Market. The Company shall deliver all Conversion Shares to the Holder within two (2) Trading Days after the date of the applicable Notice of Conversion (the date by which such delivery must be made, subject to Sections 5(c)(ii), 5(e) and 5(f)(ii), the “Conversion Share Delivery Date”).

(c) Intentionally Omitted.

(d) Delivery of Certificate for Conversion Shares. The Company shall deliver to the Holder a certificate or certificates for the full number of Note Shares required to be delivered by the applicable Delivery Date; provided, however, that following the 6 month anniversary of the Original Issue Date (and provided, without limiting any rights of the Holder under this Note or the other Transaction Documents, that the Company is compliance with the public information requirements of Rule 144(c), if applicable, and all information requirements of Rule 144(i)), the Company shall deliver any Note Shares required to be issued by the Company electronically through DTC without restrictive legends or trading restrictions of any kind not later than the applicable Delivery Date. The Company shall, at its own expense, cause there to be issued one or more legal opinions, if any, required to issue Note Shares without any restrictive legends or trading restrictions of any kind. If Conversion Shares are not delivered to or as directed by the applicable Delivery Date, the Holder shall, in addition to, and not in limitation of, its other rights and remedies under this Note and the other Transaction Documents, be entitled to elect by written notice to the Company at any time on or before its receipt of such Conversion Shares, to rescind the applicable Notice of Conversion.

(e) Obligation Absolute; Partial Liquidated Damages. The Company's obligations to issue and deliver Note Shares in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Note Shares; provided, however, that such delivery shall not operate as a waiver by the Company of any such action the Company may have against the Holder. The Company may not refuse to issue any Note Shares required to be issued hereunder based on any claim that the Holder or anyone associated or Affiliated with the Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice to Holder, shall have been sought and obtained, and the Company posts a surety bond for the benefit of the Holder in the amount of 150% of the outstanding principal amount of this Note, which is subject to the injunction, which bond shall remain in effect until the completion of litigation of the underlying dispute and the proceeds of which shall be payable to the Holder to the extent it obtains judgment. In the absence of such injunction, the Company shall issue Note Shares required to be issued hereunder in accordance with the terms hereof. If the Company fails for any reason to deliver to the Holder Note Shares required to be issued pursuant to any provision of this Note by the second Trading Day following the applicable Delivery Date (a "Delivery Failure"), the Company shall pay to the Holder, in cash, as partial liquidated damages and not as a penalty, for each \$1,000 of principal amount being redeemed or converted, as applicable, \$1.25 per Trading Day for each Trading Day after the second Trading Day following such Delivery Date until such Note Shares are delivered or the Holder rescinds such conversion. Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to Section 7 hereof for the Company's failure to deliver Note Shares within the applicable period specified in this Note and the Holder shall have the right to pursue all remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law. Without limiting the foregoing, the Company acknowledges that to the extent that the Company does not honor, or indicates to the Holder that it will not honor, Conversion Notices (a "Repudiation") the Holder's damages, in addition to out-of-pocket expenses and other damages, shall include Holder's entire lost profit resulting from its inability to receive Note Shares, which lost profit shall be calculated as the maximum number of Note Shares that the Holder would have been able to receive pursuant to any provision of this Note at or following the time of such Repudiation multiplied by any reported trading price of the Common Stock from and after the time of the Repudiation selected by the Holder (whether or not the Holder has actually tendered Conversion Notices for such maximum number of Note Shares).

(f) Compensation for Buy-In on Failure to Timely Deliver Certificates. If the Company shall fail for any reason, or for no reason, on or prior to the applicable Delivery Date to deliver share certificates or credit the Holder's or its broker's DTC account (whichever is required pursuant to Section 4(d)), for such number of Note Shares to which the Holder is entitled under this Note (a "Delivery Failure") and if on or after such Delivery Date the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable pursuant to this Note that the Holder anticipated receiving from the Company (a "Buy-In"), then, in addition to all other remedies available to the Holder, the Company shall, within three (3) Trading Days after the Holder's request and in the Holder's discretion, either (i) pay cash to the Holder in an amount equal to the Holder's total purchase price (including brokerage commissions and other reasonable out-of-pocket expenses, if any) for the shares of Common Stock so purchased (the "Buy-In Price"), at which point the Company's obligation to credit such Holder's or its broker's DTC account for such Note Shares shall terminate, or (ii) promptly honor its obligation to deliver such share certificates or credit such Holder's or its broker's DTC account, as applicable, and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of Note Shares, times (B) any trading price of the shares of Common Stock selected by the Holder in writing as in effect at any time during the period beginning on the Interest Shares Advance Date, Interest Payment Date or Conversion Share Delivery, as applicable, and ending on the applicable Delivery Date. Nothing shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity, including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver Note Shares pursuant to the terms hereof. Notwithstanding anything to the contrary herein, any cash payment paid pursuant to this Section 4(f) will reduce any amounts that may be due to the Holder on account of the Delivery Failure pursuant to Section 4(e).

(g) Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued under this Note. As to any fraction of a share which the Holder would otherwise be entitled, the Company shall pay a cash amount equal to the product of the VWAP on the applicable Conversion Date and such fraction.

(h) Transfer Taxes and Expenses. The issuance of Note Shares shall be made without charge to the Holder hereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such Note Shares, other than any tax that may be payable as a result of any Holder requesting any Note Share to be issued to or registered in the name of a person other than such Holder. The Company shall pay all Transfer Agent fees required for processing of any issuance of Note Shares and all fees to DTC (or another established clearing corporation performing similar functions) required for same-day electronic delivery of Note Shares.

(i) Beneficial Ownership Limitation. Notwithstanding anything to the contrary set forth in this Note, at no time may the Company issue to the Holder Note Shares to the extent that after giving effect to such issuance, the Holder (together with the Holder's Affiliates, and any Persons acting as a group together with the Holder or any of the Holder's Affiliates) would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of this Section 4(i), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. To the extent that the limitation contained in this Section 4(i) applies, the determination of whether shares of Common Stock may be issued pursuant to this Note (in relation to other securities owned by the Holder together with any Affiliates) shall be in the sole discretion of the Holder, and the submission of a Notice of Conversion shall be deemed to be the Holder's determination of whether shares of Common Stock may be issued pursuant to this Note (in relation to other securities owned by the Holder together with any Affiliates) subject to the Beneficial Ownership Limitation. In addition, the Holder may notify the Company that the issuance of any Note Shares would cause the Holder to exceed the Beneficial Ownership Limitation, in which case, the Company shall only issue to the Holder such number of shares of Common Stock that would not cause the Holder to exceed the Beneficial Ownership (as determined by the Holder in accordance with this Section 4(i)). In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 4(i), in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (i) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (ii) a more recent public announcement by the Company, or (iii) a more recent written notice by the Company or the Company's Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two (2) Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then actually outstanding. For purposes of determining beneficial ownership pursuant to this Section 4(i), the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company by the Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.9% of the number of shares of the Common Stock outstanding immediately after giving effect to the applicable issuance of shares of Common Stock pursuant to this Note held by the Holder. The Holder, upon not less than 61 days' prior notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 4(i), provided that the Beneficial Ownership Limitation in no event exceeds 9.9% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock pursuant to the terms of this Note and the Beneficial Ownership Limitation provisions of this Section 4(i) shall continue to apply. Any such increase or decrease will not be effective until the sixty-first day after such notice is delivered to the Company. The Beneficial Ownership Limitation provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 4(i) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation contained herein or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Note.

Section 5. Certain Adjustments.

(a) Stock Dividends, Splits and Combinations. If the Company issues solely shares of Common Stock as a dividend or distribution on all or substantially all shares of the Common Stock, or if the Company effects a stock split or a stock combination of the Common Stock (in each case excluding an issuance solely pursuant to a Common Stock Change Event, as to which Section 5(g) will apply), then the Conversion Price will be adjusted based on the following formula:

$$CP_1 = CP_0 \times \frac{OS_0}{OS_1}$$

where:

- CP_0 = the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such dividend or distribution, or immediately before the Open of Business on the effective date of such stock split or stock combination, as applicable;
- CP_1 = the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date or the Open of Business on such effective date, as applicable;
- OS_0 = the number of shares of Common Stock outstanding immediately before the Open of Business on such Ex-Dividend Date or effective date, as applicable, without giving effect to such dividend, distribution, stock split or stock combination; and
- OS_1 = the number of shares of Common Stock outstanding immediately after giving effect to such dividend, distribution, stock split or stock combination.

If any dividend, distribution, stock split or stock combination of the type described in this Section 5(a) is declared or announced, but not so paid or made, then the Conversion Price will be readjusted, effective as of the date the Company determines not to pay such dividend or distribution or to effect such stock split or stock combination, to the Conversion Price that would then be in effect had such dividend, distribution, stock split or stock combination not been declared or announced.

(b) Rights, Options and Warrants. If the Company distributes, to all or substantially all holders of Common Stock, rights, options or warrants (other than rights issued or otherwise distributed pursuant to a stockholder rights plan, as to which the provisions set forth in Sections 5(c)(i) and 5(f)(iii) will apply) entitling such holders, for a period of not more than 60 calendar days after the record date of such distribution, to subscribe for or purchase shares of Common Stock at a price per share that is less than the average of the Last Reported Sale Prices per share of Common Stock for the 10 consecutive Trading Days ending on, and including, the Trading Day immediately before the date such distribution is announced, then the Conversion Price will be based on the following formula:

$$CP_I = CP_0 \times \frac{OS + Y}{OS + X}$$

where:

CP_0 = the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such distribution;

CP_I = the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date;

OS = the number of shares of Common Stock outstanding immediately before the Open of Business on such Ex-Dividend Date;

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

Y = a number of shares of Common Stock obtained by dividing (x) the aggregate price payable to exercise such rights, options or warrants by (y) the average of the Last Reported Sale Prices per share of Common Stock for the ten (10) consecutive Trading Days ending on, and including, the Trading Day immediately before the date such distribution is announced.

To the extent that shares of Common Stock are not delivered after the expiration of such rights, options or warrants (including as a result of such rights, options or warrants not being exercised), the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the decrease to the Conversion Price for such distribution been made on the basis of delivery of only the number of shares of Common Stock actually delivered upon exercise of such rights, option or warrants. To the extent such rights, options or warrants are not so distributed, the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the Ex-Dividend Date for the distribution of such rights, options or warrants not occurred.

For purposes of this Section 5(b), in determining whether any rights, options or warrants entitle holders of Common Stock to subscribe for or purchase shares of Common Stock at a price per share that is less than the average of the Last Reported Sale Prices per share of Common Stock for the 10 consecutive Trading Days ending on, and including, the Trading Day immediately before the date of the distribution of such rights, options or warrants is announced, and in determining the aggregate price payable to exercise such rights, options or warrants, there will be taken into account any consideration the Company receives for such rights, options or warrants and any amount payable on exercise thereof, with the value of such consideration, if not cash, to be determined by the Company in good faith.

(c) Spin-Offs and Other Distributed Property.

(i) Distributions Other than Spin-Offs. If the Company distributes shares of its Capital Stock, evidences of its indebtedness or other assets or property of the Company, or rights, options or warrants to acquire Capital Stock of the Company or other securities, to all or substantially all holders of the Common Stock, excluding:

- (1) dividends, distributions, rights, options or warrants for which an adjustment to the Conversion Price is required (or would be required without regard to Section 5(f)(iv)) pursuant to Section 5(a) or Section 5(b);
- (2) dividends or distributions paid exclusively in cash for which an adjustment to the Conversion Price is required (or would be required without regard to Section 5(f)(iv)) pursuant to Section 5(d);
- (3) rights issued or otherwise distributed pursuant to a stockholder rights plan, except to the extent provided in Section 5(f)(iii); or
- (4) Spin-Offs for which an adjustment to the Conversion Price is required (or would be required without regard to Section 5(f)(iv)) pursuant to Section 5(c)(ii); and
- (5) a distribution solely pursuant to a Common Stock Change Event, as to which Section 5(g) will apply,

then the Conversion Price will be decreased based on the following formula:

$$CP_I = CP_0 \times \frac{SP - FMV}{SP}$$

where:

- | | | |
|--------|---|--|
| CP_0 | = | the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such distribution; |
| CP_I | = | the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date; |
| SP | = | the average of the Last Reported Sale Prices per share of Common Stock for the 10 consecutive Trading Days ending on, and including, the Trading Day immediately before such Ex-Dividend Date; and |
| FMV | = | the fair market value (as determined by the Company in good faith), as of such Ex-Dividend Date, of the shares of Capital Stock, evidences of indebtedness, assets, property, rights, options or warrants distributed per share of Common Stock pursuant to such distribution; |

provided, however, that if *FMV* is equal to or greater than *SP*, then, in lieu of the foregoing adjustment to the Conversion Price, the Holder will participate in such distribution, at the same time and on the same terms as holders of Common Stock and without converting any Notes, as if the Holder held, on the record date for such distribution, a number of Conversion Shares that would have been issuable upon conversion of the total outstanding principal amount of Notes held by such Holder as of such record date assuming such outstanding principal amount were converted with a Conversion Date occurring on such record date.

To the extent such distribution is not so paid or made, or such rights, options or warrants are not exercised before their expiration (including as a result of being redeemed or terminated), the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the adjustment been made on the basis of only the distribution, if any, actually made or paid or on the basis of the distribution of only such rights, options or warrants, if any, that were actually exercised, if at all.

(ii) Spin-Offs. If the Company distributes or dividends shares of Capital Stock of any class or series, or similar equity interest, of or relating to an Affiliate, a Subsidiary or other business unit of the Company to all or substantially all holders of the Common Stock (other than solely pursuant to a Common Stock Change Event, as to which Section 5(g) will apply), and such Capital Stock or equity interest is listed or quoted (or will be listed or quoted upon the consummation of the transaction) on a U.S. national securities exchange (a “Spin-Off”), then the Conversion Price will be decreased based on the following formula:

$$EP_1 = EP_0 \times \frac{SP}{FMV + SP}$$

where:

<i>CP₀</i>	=	the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such Spin-Off;
<i>CP₁</i>	=	the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date;
<i>FMV</i>	=	the product of (x) the average of the Last Reported Sale Prices per share or unit of the Capital Stock or equity interests distributed in such Spin-Off over the 10 consecutive Trading Day period (the “ <u>Spin-Off Valuation Period</u> ”) beginning on, and including, such Ex-Dividend Date (such average to be determined as if references to Common Stock in the definitions of Last Reported Sale Price and Trading Day were instead references to such Capital Stock or equity interests); and (y) the number of shares or units of such Capital Stock or equity interests distributed per share of Common Stock in such Spin-Off; and
<i>SP</i>	=	the average of the Last Reported Sale Prices per share of Common Stock for each Trading Day in the Spin-Off Valuation Period.

The adjustment to the Conversion Price pursuant to this Section 5(c)(ii) will be calculated as of the Close of Business on the last Trading Day of the Spin-Off Valuation Period but will be given effect immediately after the Open of Business on the Ex-Dividend Date for the Spin-Off, with retroactive effect. If this Note is exercised and the Conversion Date occurs during the Spin-Off Valuation Period, then, notwithstanding anything to the contrary in this Note, the Company will, if necessary, delay the settlement of such exercise until the third Trading Day after the last day of the Spin-Off Valuation Period.

To the extent any dividend or distribution of the type set forth in this Section 5(c)(ii) is declared but not made or paid, the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the adjustment been made on the basis of only the dividend or distribution, if any, actually made or paid.

(d) Cash Dividends or Distributions. If any cash dividend or distribution is made to all or substantially all holders of Common Stock, then the Conversion Price will be decreased based on the following formula:

$$EP_1 = EP_0 \times \frac{SP - D}{SP}$$

where:

- CP_0 = the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such dividend or distribution;
- CP_1 = the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date;
- SP = the Last Reported Sale Price per share of Common Stock on the Trading Day immediately before such Ex-Dividend Date; and
- D = the cash amount distributed per share of Common Stock in such dividend or distribution;

provided, however, that if D is equal to or greater than SP , then, in lieu of the foregoing adjustment to the Conversion Price, the Holder will participate in such dividend or distribution, at the same time and on the same terms as holders of Common Stock and without converting the Note, as if the Holder held, on the record date for such dividend or distribution, a number of Conversion Shares that would have been issuable upon conversion of the total outstanding principal amount of the Note held by Holder as of such record date assuming such outstanding principal amount were converted with a Conversion Date occurring on such record date.

To the extent such dividend or distribution is declared but not made or paid, the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the adjustment been made on the basis of only the dividend or distribution, if any, actually made or paid.

(e) Tender Offers or Exchange Offers. If the Company or any of its Subsidiaries makes a payment in respect of a tender offer or exchange offer for shares of Common Stock, and the value (determined as of the Tender/Exchange Offer Expiration Time by the Company in good faith) of the cash and other consideration paid per share of Common Stock in such tender or exchange offer exceeds the Last Reported Sale Price per share of Common Stock on the Trading Day immediately after the last date (the “Tender/Exchange Offer Expiration Date”) on which tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended), then the Conversion Price will be decreased based on the following formula:

$$EP_1 = EP_0 \times \frac{OS_0 \times SP}{AC + (SP \times OS_1)}$$

where:

- CP_0 = the Conversion Price in effect immediately before the time (the “Tender/Exchange Offer Expiration Time”) such tender or exchange offer expires;
- CP_1 = the Conversion Price in effect immediately after the Tender/Exchange Offer Expiration Time;
- AC = the aggregate value (determined as of the Tender/Exchange Offer Expiration Time by the Company in good faith) of all cash and other consideration paid for shares of Common Stock purchased in such tender or exchange offer;
- OS_0 = the number of shares of Common Stock outstanding immediately before the Tender/Exchange Offer Expiration Time (before giving effect to the purchase of all shares of Common Stock accepted for purchase or exchange in such tender or exchange offer);
- OS_1 = the number of shares of Common Stock outstanding immediately after the Tender/Exchange Offer Expiration Time (excluding all shares of Common Stock accepted for purchase or exchange in such tender or exchange offer); and
- SP = the average of the Last Reported Sale Prices per of Common Stock over the 10 consecutive Trading Day period (the “Tender/Exchange Offer Valuation Period”) beginning on, and including, the Trading Day immediately after the Tender/Exchange Offer Expiration Date;

provided, however, that the Conversion Price will in no event be adjusted upwards pursuant to this Section 5(e), except to the extent provided in the immediately following paragraph. The adjustment to the Conversion Price pursuant to this Section 5(e) will be calculated as of the Close of Business on the last Trading Day of the Tender/Exchange Offer Valuation Period but will be given effect immediately after the Tender/Exchange Offer Expiration Time, with retroactive effect. If this Note is converted and the Conversion Date occurs during the Tender/Exchange Offer Valuation Period, then, notwithstanding anything to the contrary in this Note, the Company will, if necessary, delay the settlement of such exercise until the third Trading Day after the last day of the Tender/Exchange Offer Valuation Period.

To the extent such tender or exchange offer is announced but not consummated (including as a result of the Company being precluded from consummating such tender or exchange offer under applicable law), or any purchases or exchanges of shares of Common Stock in such tender or exchange offer are rescinded, the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the adjustment been made on the basis of only the purchases or exchanges of shares of Common Stock, if any, actually made, and not rescinded, in such tender or exchange offer.

(f) No Adjustment in Certain Cases.

(i) Where Holders Participate in the Transaction or Event Without Conversion. Notwithstanding anything to the contrary in Section 5, the Company will not be obligated to adjust the Conversion Price on account of a transaction or other event otherwise requiring an adjustment pursuant to clauses (b) through (d) of this Section 5 if the Holder participates, at the same time and on the same terms as holders of Common Stock, in such transaction or event without having to convert Holder's Note, as if the Holder held, on the record date for such transaction or event, a number of Conversion Shares that would have been issuable upon conversion of the total outstanding principal amount of the Note held by Holder as of such record date assuming such outstanding principal amount were converted with a Conversion Date occurring on such record date.

(ii) Conversion Rate Adjustments where Converting Holders Participate in the Relevant Transaction or Event. Notwithstanding anything to the contrary, if (1) a Conversion Price adjustment for any dividend or distribution becomes effective on any Ex-Dividend Date pursuant to clauses (a) through (e) of this Section 5; (2) any portion of this Note is to be converted; (3) the Conversion Date for such conversion occurs on or after such Ex-Dividend Date and on or before the related record date; (4) the Conversion Shares due upon such conversion are calculated based on a Conversion Price that is adjusted for such dividend or distribution; and (5) such shares would be entitled to participate in such dividend or distribution (including pursuant to Section 5(h)), then (x) such Conversion Price adjustment will not be given effect for such conversion; and (y) the Conversion Shares issuable upon such conversion based on such unadjusted Conversion Price will be entitled to participate in such dividend or distribution.

(iii) Stockholder Rights Plans. If any Conversion Shares are to be issued upon conversion of this Note and, at the time of such conversion, the Company has in effect any stockholder rights plan, then the Holder will be entitled to receive, in addition to, and concurrently with the delivery of, the Conversion Shares otherwise payable hereunder upon such conversion, the rights set forth in such stockholder rights plan, unless such rights have separated from the Common Stock at such time, in which case, and only in such case, the Conversion Price will be adjusted pursuant to Section 5(c)(i) on account of such separation as if, at the time of such separation, the Company had made a distribution of the type referred to in such Section to all holders of the Common Stock, subject to readjustment in accordance with such Section if such rights expire, terminate or are redeemed.

(iv) Adjustment Deferral. If an adjustment to the Conversion Rate otherwise required by clauses (b) through (d) of this Section 5 would result in a change of less than one percent (1%) to the Conversion Price, then, notwithstanding anything to the contrary, the Company may, at its election, defer such adjustment, except that all such deferred adjustments must be given effect immediately upon the earliest of the following: (i) when all such deferred adjustments would result in a change of at least one percent (1%) to the Conversion Price; and (ii) the Conversion Date of any portion of this Note.

(g) Fundamental Transaction. If, at any time while this Note is outstanding, the Company effects a Fundamental Transaction pursuant to which the Common Stock is exchanged for, converted into, or represents solely the right to receive any other securities, cash or other property (such transaction, a “Common Stock Change Event,” and such other securities, cash or property, the “Reference Property,” and the amount and kind of Reference Property that a holder of one share of Common Stock would be entitled to receive on account of such Fundamental Transaction (without giving effect to any arrangement not to issue or deliver a fractional portion of any security or other property), a “Reference Property Unit”), then, notwithstanding anything herein to the contrary, upon any conversion of this Note on or after the effective date of such Fundamental Transaction, each Note Share issuable hereunder will be payable hereunder in Reference Property determined in the same manner as if each reference to any number of shares of Common Stock herein (including in any definitions) were instead a reference to the same number of Reference Property Units. 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 composition of the Reference Property Unit will be deemed to be the types and amounts of consideration actually received, per share of Common Stock, by the holders of Common Stock. The Company shall, if applicable, cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the “Successor Entity”) to assume in writing all of the obligations of the Company under this Note in accordance with the provisions of this Section 5(e) pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the Holder of this Note, deliver to the Holder in exchange for this Note a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Note which is convertible for a corresponding number of Reference Property Units within five (5) Business Days of such Fundamental Transaction. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall, if applicable, succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Note and the other Transaction Documents referring to the “Company” shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Note and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein. For the avoidance of doubt, nothing in this Section 5(g) shall be deemed implied consent to any Fundamental Transaction otherwise prohibited by the Transaction Documents.

(h) Holder of Record of Conversion Shares. The Person in whose name any Conversion Share is issuable upon conversion of this Note will be deemed to become the holder of record of such share as of the Close of Business on the Conversion Date for such conversion.

(i) Calculations. All calculations under this Section 5 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 5, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Company) issued and outstanding.

(j) Notice to the Holder.

(i) Adjustment to Conversion Price. Whenever the Conversion Price is adjusted pursuant to any provision of this Section 5, the Company shall promptly deliver to the Holder a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(ii) Notice to Allow Conversion by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock of rights or warrants to subscribe for or purchase any shares of Capital Stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any Fundamental Transaction, Change of Control, consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of this Note, and shall cause to be delivered to the Holder at its last address as it shall appear upon the Note Register, at least 20 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange, provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K filed with the Commission. The Holder shall remain entitled to convert this Note during the 20-day period commencing on the date of such notice through the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

(k) No Implied Consent. The provisions of this Section 5 shall not be deemed to be implied consent to any transaction or other thing otherwise prohibited by the terms and conditions of this Note and the other Transaction Documents.

Section 6. Covenants.

(a) As long as any portion of this Note remains outstanding, and unless the Holder shall have otherwise given prior written consent, the Company shall not, and shall not permit any of the Subsidiaries to, directly or indirectly:

(i) issue Disqualified Stock;

(ii) amend its charter documents, including, without limitation, its certificate of incorporation and bylaws, in any manner that adversely affects any rights of the Holder under the Transaction Documents in any material respects;

(iii) repay, repurchase or offer to repay, repurchase or otherwise acquire any of its Equity Interests, other than repurchases of Common Stock or Common Stock Equivalents of departing officers, directors, and employees of the Company, provided that such repurchases shall not exceed an aggregate of \$250,000 for all officers, directors, and employees during the term of this Note;

(iv) pay or make dividends or distributions on any of its Equity Interests, except that any Subsidiary may, directly or indirectly, pay or make any dividend or distribution to the Company;

(v) create any new Domestic Subsidiary unless such Subsidiary is promptly added as a Guarantor and promptly executes a joinder to the Subsidiary Guaranty and Security Agreement;

(vi) enter into any transaction with any Affiliate of the Company which would be required to be disclosed in any public filing with the Commission (other than any transaction between or among any of the Company and one or more Guarantors), unless such transaction is made on an arm's length basis and expressly approved by a majority of the disinterested directors of the Company (even if less than a quorum otherwise required for board approval);

(vii) maintain deposit accounts, or accounts holding investment property, except (1) with respect to which the Holder has an Account Control Agreement and (2) which hold a balance of no more than \$250,000, provided however, that the aggregate amount of cash held in accounts that are not subject to Account Control Agreements shall not exceed \$1,000,000 at any time (for the avoidance of doubt, this clause (v) being subject to Section 2.4(a) of the Purchase Agreement); or

(viii) enter into any unconditional binding agreements in violation of any of the foregoing covenants.

(b) Holder Cooperation Related to Note Shares and Informational Requirements. The Holder will reasonably cooperate with the Company in connection with the issuance of Note Shares through the book-entry facilities of The Depository Trust Company. The Holder shall provide a customary seller representation letter and cause its broker to provide a customary broker representation letter, and the Company shall provide a customary issuer representation letter, in connection therewith. Holder agrees that it will not effect any resale of Note Shares unless (i) such resale is pursuant to an effective registration statement under the Securities Act, (ii) the Company is then in compliance with the informational requirements of Rule 144(c), if applicable, and the requirements of Rule 144(i)(2) or (iii) such Holder provides to the Company an opinion of its counsel, which opinion is reasonably acceptable to the Company, that such sale is otherwise permissible in accordance with Section 4(a)(1) of the Securities Act. Upon request by any Holder, the Company will promptly confirm (as promptly as practicable after the Holder's request if such request is made between the Open of Business and the Close of Business on a Business Day) whether or not such informational and other requirements are satisfied, and the Holder will be entitled to rely on such confirmation. In addition, the Holder shall cause its broker to provide an undertaking from such broker that prior to executing any sale of Note Shares on behalf of Holder, such broker will confirm the Company has filed with the Commission the Annual Report on Form 10-K and Quarterly Reports on Form 10-Q required to be filed under Section 13 or 15(d) of the Exchange Act within the preceding 12 months (a "Broker Undertaking"). The Broker Undertaking shall further provide that no sales of any Note Shares shall be made by such broker if the Holder has received a Company Non-Compliance Notice (as defined below). Notwithstanding the foregoing, the Company shall promptly notify the Holder in the event the Company is not in compliance with the informational requirements of Rule 144(c) (until such time as those requirements cease to apply under Rule 144(b)(1)) or the requirements of Rule 144(i)(2) (a "Company Non-Compliance Notice").

(c) Until the Notes are indefeasibly paid in full, the Company shall maintain on deposit in one or more accounts of a US incorporated bank or a US branch of a non-US incorporated bank an amount of Free Cash in aggregate equal to \$10,000,000, unless otherwise permitted by the written consent of the Holder, which shall not be unreasonably withheld, conditioned or delayed if the use of the cash is in the best interests of the Company, as determined by Holder.

Section 7. Events of Default.

(a) “Event of Default” means, wherever used herein, any of the following events (whatever the reason for such event and whether such event shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative body or Governmental Authority):

(i) any default in the payment of the principal amount of any Note, whether on the Maturity Date or by acceleration or otherwise;

(ii) any default in the payment of interest, liquidated damages and/or other amounts owing to a Holder on the Note, as and when the same shall become due and payable, in each case, which such default continues for three (3) Trading Days;

(iii) the Company shall fail to observe or perform any other covenant or agreement contained in this Note (other than a breach by the Company of its obligations to deliver Note Shares to the Holder pursuant to the terms of this Note which breach is addressed in clause (ix) below) which failure is not cured, if possible to cure, within the earlier to occur of (A) five (5) Trading Days after notice of such failure sent by the Holder to the Company and (B) five (5) Trading Days after the Company has become aware or should have become aware of such failure; provided, that any failure to observe or perform any provision of Section 6 shall be an immediate Event of Default hereunder without any grace period;

(iv) a default or event of default (subject to any grace or cure period provided in the applicable agreement, document or instrument) or any material breach or failure to perform any material covenant shall occur under any of the Transaction Documents, which default, breach or failure is not cured, if possible to cure, within 15 Trading Days following notice of failure sent by the Holder to the Company;

(v) any representation or warranty made in this Note or any other Transaction Documents, any written statement pursuant hereto or thereto or any other report, financial statement or certificate made or delivered to the Holder or any other Holder pursuant to the Transaction Documents shall be untrue or incorrect in any material respect as of the date when made or deemed made;

(vi) the Company or any Significant Subsidiary shall be subject to a Bankruptcy Event;

(vii) the Company or any Subsidiary (other than LiveXLive Tickets, Inc. and React Presents, LLC) shall default on any of its obligations under any mortgage, credit agreement or other facility, indenture agreement, factoring agreement or other instrument under which there may be issued, or by which there may be secured or evidenced, any Indebtedness for borrowed money or money due under any long term leasing or factoring arrangement beyond any grace period provided with respect thereto that (a) involves an obligation greater than \$200,000, whether such Indebtedness now exists or shall hereafter be created, and (b) results in such Indebtedness becoming or being declared due and payable prior to the date on which it would otherwise become due and payable;

(viii) (a) the Common Stock shall not be eligible for listing or quotation for trading on a Trading Market and shall not be eligible to resume listing or quotation for trading thereon within five (5) Trading Days, (b) the shares of Common Stock are suspended from trading or otherwise not listed or quoted for trading on a Trading Market for 15 Trading Days or more (which need not be consecutive) during any 12 month period, or (c) the shares of Common Stock are suspended from trading or otherwise not listed or quoted for trading on a Trading Market for five (5) consecutive Trading Days or more; provided, however, that for purposes of this subparagraph (viii), any day on which there is a general suspension of trading on the Principal Market shall be disregarded;

(ix) the Company shall fail for any reason to deliver any Note Shares to Holder on the applicable Delivery Date therefor, subject to a cure period of two (2) Trading Days in each instance;

(x) the Company shall fail to timely file any SEC Report which results in the Company becoming ineligible to file an S-3;

(xi) the electronic transfer by the Company of shares of Common Stock through DTC or another established clearing corporation is no longer available or is subject to a “chill” that lasts for more than five (5) Trading Days;

(xii) a judgment not covered by insurance in excess of \$250,000 is entered against the Company and, within 60 days after entry thereof, such judgment is not discharged or satisfied or execution thereof stayed pending appeal, or within 60 days after the expiration of any such stay, such judgment is not discharged or satisfied;

(xiii) either Robert S. Ellin or the Company shall default in their obligations set forth in that certain Side Letter dated as of even date herewith among the Company, Harvest Small Cap Partners Master, Ltd., Holder and Robert S. Ellin;

(xiv) either (a) Robert S. Ellin, (b) any Person set forth in Footnote 1 to the Beneficial Ownership Table to the Company’s Definitive Proxy Statement dated July 29, 2020 of which Robert S. Ellin is the beneficial owner as of the date hereof (other than any distributions or transfers by Trinad Capital Master Fund Ltd to satisfy its current fund redemption requirements for up to 350,000 shares in aggregate), or (c) any Person who is a beneficial owner (as such term is defined in Section 13d-3 of the Exchange Act) of any other Equity Interests of the Company of which Robert S. Ellin is the beneficial owner as of the date of this Note Disposes of any Equity Interests of the Company, in each case without the express written consent of the Holder (email shall suffice);

(xv) if any provision of the Security Agreement shall at any time for any reason be declared to be null and void, or the validity or enforceability thereof shall be contested by any Debtor (as defined in the Security Agreement), or a proceeding shall be commenced by any Debtor, or by any Governmental Authority having jurisdiction over any Debtor, seeking to establish the invalidity or unenforceability thereof, or any Debtor shall deny that any Debtor has any liability or obligation purported to be created under the Security Agreement; or

(xvi) the Company or any “named executive officer” (within the meaning of Item 402 of Regulation S-K promulgated by the Commission) (i) is indicted for, convicted of or pleads guilty or no contest to a felony, (ii) is found by a Governmental Authority to have engaged in, or becomes subject to an order of a Governmental Authority based on, any violation of law or regulation that prohibits fraudulent, manipulative or deceptive conduct, and/or (iii) becomes the subject of a Proceeding regarding the commission of a felony or any violation of law or regulation that prohibits fraudulent, manipulative or deceptive conduct.

(b) Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the outstanding principal amount of this Note, plus accrued but unpaid interest, liquidated damages and other amounts owing in respect thereof through the date of acceleration, shall become, at the direction of Holder, immediately due and payable in cash; provided, that such acceleration shall be automatic, without any notice or other action of the Holder required, in respect of an Event of Default occurring pursuant to clause (vi), (xiii) or (xiv) of Section 7(a). In connection with such acceleration described herein, the Holder need not provide, and the Company hereby waives, any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such acceleration may be rescinded and annulled by Holder at any time prior to payment in full hereunder and the Holder shall have all rights as a holder of the Note until such time, if any, as the Holder receives full payment pursuant to this Section 7(b). No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

Section 8. Miscellaneous.

(a) Notices. Any and all notices or other communications or deliveries to be provided by the Holder hereunder, shall be in writing and delivered personally, by email attachment, or sent by a nationally recognized overnight courier service, addressed to the Company, at the address set forth above, or such email address, or address as the Company may specify for such purposes by notice to the Holder delivered in accordance with this Section 8(a). Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by email attachment, or sent by a nationally recognized overnight courier service addressed to the Holder at the email address or address of the Holder appearing on the books of the Company, or if no such email attachment or address appears on the books of the Company, at the principal place of business of such Holder, as set forth in the Purchase Agreement. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via email attachment to the email address set forth on the signature pages attached hereto prior to 5:30 p.m. (local time in New York City, New York) (or such later time expressly specified elsewhere in this Note) on any date, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via email attachment to the email address set forth on the signature pages attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (local time in New York City, New York) (or such later time expressly specified elsewhere in this Note) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service or (iv) upon actual receipt by the party to whom such notice is required to be given.

(b) Absolute Obligation. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, liquidated damages and accrued interest, as applicable, on this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct debt obligation of the Company.

(c) Lost or Mutilated Note. If this Note shall be mutilated, lost, stolen or destroyed, the Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note for the principal amount of this Note so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such Note, and of the ownership hereof, reasonably satisfactory to the Company.

(d) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflict of laws thereof. Each party agrees that all legal proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective Affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in the County of New Castle (the “Delaware Courts”). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the Delaware Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such Delaware Courts, or such Delaware Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by applicable law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Note or the transactions contemplated hereby. If any party shall commence an action or proceeding to enforce any provisions of this Note, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorneys’ fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

(e) Amendments; Waivers. Any waiver by the Company or the Holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note. The failure of the Company or the Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Note on any other occasion. Any waiver by the Company or the Holder must be in writing. Any provision of this Note may be waived by the Holder, which waiver shall be binding on Holder and its successors and assigns. Any provision of this Note may be amended by a written instrument executed by the Company and the Holder, which amendment shall be binding on the Holder and its successors and assigns.

(f) Severability. If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the principal of or interest on this Note as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Note, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

(g) Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note and any of the other Transaction Documents at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Note. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the Holder shall be entitled, in addition to all other available remedies, to an injunction restraining any such breach or any such threatened breach, without the necessity of showing economic loss and without any bond or other security being required. The Company shall provide all information and documentation to the Holder that is reasonably requested by the Holder to enable the Holder to confirm the Company's compliance with the terms and conditions of this Note.

(h) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment or obligation shall be made on the next succeeding Business Day.

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

(j) Secured Obligation. The obligations of the Company under this Note are secured by the Collateral pledged by the Company pursuant to the Security Agreement, dated as of the date hereof, between the Debtors and the Holder. For the avoidance of doubt, and notwithstanding anything contained herein to the contrary, subject to Permitted Liens, the Holder shall have the first lien over all Collateral, which will rank higher than any other creditor of the Company or its Subsidiaries, to the extent permitted by law.

(k) Limitation of Liability. Neither Holder nor any Affiliate, officer, director, employee, attorney, or agent of Holder shall have any liability with respect to, and the Company hereby waives, releases, and agrees not to sue any of them upon, any claim for any special, indirect, incidental, or consequential damages suffered or incurred by the Company in connection with, arising out of, or in any way related to, this Note or any of the other Transaction Documents, or any of the transactions contemplated by this Note or any of the other Transaction Documents. The Company hereby waives, releases, and agrees not to sue Holder or any of Holder's Affiliates, officers, directors, employees, attorneys, or agents for punitive damages in respect of any claim in connection with, arising out of, or in any way related to, this Note or any of the other Transaction Documents, or any of the transactions contemplated by this Note or any of the other Transaction Documents. Notwithstanding the foregoing, if Holder is found by a court of competent jurisdiction, pursuant to a final judgment not subject to further appeal, to have engaged in any material violation of the Transaction Documents, any material violation of state or federal securities laws or any other conduct which constitutes fraud, gross negligence willful misconduct or malfeasance ("Bad Boy Conduct"), then nothing in this provision shall be interpreted as waiving any right of the Company to any action based upon any such Bad Boy Conduct.

(l) Withholding Taxes. Any and all payments by or on account of any obligation of the Company under this Note and any other Transaction Documents shall be made without deduction or withholding for any taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of the Company) requires the deduction or withholding of any tax from any such payment by the Company, then the Company shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and the sum payable by the Company to the Holder shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 8(l)) the Holder receives an amount equal to the sum it would have received had no such deduction or withholding been made; provided, however, that no increased or additional payment shall be required or made under this section (i) with respect to U.S. federal withholding taxes imposed on amounts payable to or for the account of the Holder pursuant to a law in effect on the date that the Holder acquired an interest in this Note (withholding tax imposed as a result of future administrative or judicial interpretation of current law), or (ii) with respect to taxes imposed on or measured by net income (including branch profits taxes or franchise taxes) of the Holder. With respect to a Holder as of the date hereof, the Company does not intend to deduct U.S. federal withholding taxes from any payments under this Note and any other Transaction Document under current law. Prior to deducting any withholding tax, the Company shall deliver to the Holder a written notice of its intention to make deduction or withholding for any taxes. In the event that the Company provides such notice, the Holder may elect to receive interest in cash in order to avoid such withholding tax; provided, however, that such an election shall not be available to any transferee or assignee of a Holder (that was a Holder as of the date hereof) and no Holder may transfer or assign an interest in the Note to any other person if any payments made to the transferee or assignee by the Company with respect to the Note or any other Transaction Document would be subject to withholding taxes.

(m) OID. THE FOLLOWING INFORMATION IS SUPPLIED SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES. THIS NOTE WAS ISSUED WITH "ORIGINAL ISSUE DISCOUNT" ("OID") WITHIN THE MEANING OF SECTION 1273 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND THIS LEGEND IS REQUIRED BY SECTION 1275(c) OF THE CODE. HOLDER MAY OBTAIN INFORMATION REGARDING THE AMOUNT OF ANY OID, THE ISSUE PRICE, THE ISSUE DATE, AND THE YIELD TO MATURITY RELATING TO THE NOTE BY CONTACTING THE ISSUER AT LIVEXLIVE MEDIA, INC., 9200 SUNSET BOULEVARD, SUITE 1201, WEST HOLLYWOOD, CA 90069.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties below have caused this Note to be duly executed by a duly authorized officer as of the date first above indicated.

LIVEXLIVE MEDIA, INC.

By: /s/ Robert S. Ellin

Name: Robert S. Ellin

Title: CEO and Chairman

E-mail Address for delivery of Notices:

rob@livexlive.com and tenia@livexlive.com

HARVEST SMALL CAP PARTNERS, L.P.

By: /s/ Jeff Osher

Name: Jeff Osher

Title: Managing Member

E-mail Address for delivery of Notices:

jeff@nostreetcapital.com

ANNEX A

NOTICE OF CONVERSION

The undersigned hereby elects to convert principal and interest under the 8.5% Secured Note due September 15, 2022 (the “Note”) of LiveXLive Media, Inc., a Delaware corporation (the “Company”), in accordance with Section 4(b) of the Note.

By the delivery of this Notice of Conversion the undersigned represents and warrants to the Company that its ownership of the shares of Common Stock does not exceed the amounts specified under Section 4(i) of this Note, as determined in accordance with Section 13(d) of the Exchange Act.

Conversion calculations:

Conversion Date:

Conversion Price:

Principal Amount of Note to be converted:

Accrued and unpaid interest thereon:

Number of shares to be issued:

Signature:

Name:

Address for Delivery of Holding Statements:

Or

DWAC Instructions:

Broker No: _____

Account No: _____

THE OFFER AND SALE OF THIS SECURITY AND THE SECURITIES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, THIS SECURITY AND THE SECURITIES ISSUABLE HEREUNDER MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY AND THE SECURITIES ISSUABLE HEREUNDER MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

Original Issue Date: September 15, 2020

\$10,503,965

**8.5% SENIOR SECURED CONVERTIBLE NOTE
DUE SEPTEMBER 15, 2022**

THIS 8.5% SENIOR SECURED CONVERTIBLE NOTE of LiveXLive Media, Inc., a Delaware corporation, (the “Company”), having its principal place of business at 9200 Sunset Boulevard, Suite #1201, West Hollywood, California 90069 (this note, as amended, restated, supplemented or otherwise modified from time to time, the “Note”) and is issued pursuant to the Purchase Agreement (as defined below).

FOR VALUE RECEIVED, the Company promises to pay in cash to Harvest Small Cap Partners Master, Ltd., a company organized under the laws of Cayman Islands, or its registered assigns (the “Holder”), or shall have paid pursuant to the terms hereunder, the principal sum of \$10,503,965 on September 15, 2022 (the “Maturity Date”) or such earlier date as this Note is required or permitted to be repaid as provided hereunder, and to pay interest to the Holder on the aggregate then outstanding principal amount of this Note in accordance with the provisions hereof. This Note is subject to the following additional provisions:

Section 1. Definitions. For the purposes hereof, in addition to the terms defined elsewhere in this Note, (a) capitalized terms not otherwise defined herein shall have the meanings set forth in the Purchase Agreement and (b) the following terms shall have the following meanings:

“Account Control Agreement(s)” means any agreement entered into by and among Holder, Company or any Subsidiary and a third party bank or other institution (including a securities intermediary) in which Company or any Subsidiary maintains a deposit account or an account holding investment property and which grants Holder a perfected security interest in the subject account or accounts.

“Applicable Interest Rate” means an annual rate equal to 8.5%; provided, however, following the occurrence and during the continuance of an Event of Default, the “Applicable Interest Rate” shall automatically, without notice or any other action required by Holder, mean an annual rate equal to 11.5%.

“Bad Boy Conduct” shall have the meaning set forth in Section 8(k).

“Bankruptcy Event” means any of the following events: (a) the Company or any Significant Subsidiary thereof commences a case or other proceeding under any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction relating to the Company or any Significant Subsidiary thereof (b) there is commenced against the Company or any Significant Subsidiary thereof any such case or proceeding that is not dismissed within 60 days after commencement, (c) the Company or any Significant Subsidiary thereof is adjudicated insolvent or bankrupt or any order of relief or other order approving any such case or proceeding is entered, (d) the Company or any Significant Subsidiary thereof suffers any appointment of any custodian or the like for it or any substantial part of its property that is not discharged or stayed within 60 calendar days after such appointment, (e) the Company or any Significant Subsidiary thereof makes a general assignment for the benefit of creditors, (f) the Company or any Significant Subsidiary thereof calls a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts, (g) the Company or any Significant Subsidiary thereof, by any act or failure to act, expressly indicates its consent to, approval of or acquiescence in any of the foregoing or takes any corporate or other action for the purpose of effecting any of the foregoing, or (h) the Company or any Significant Subsidiary admits in writing its inability, or is otherwise unable, to pay its debts generally as they become due.

“Beneficial Ownership Limitation” shall have the meaning set forth in Section 4(i).

“Bloomberg” means Bloomberg, L.P.

“Broker Undertaking” shall have the meaning set forth in Section 6(b).

“Buy-In” shall have the meaning set forth in Section 4(f).

“Capital Stock” of any Person means any and all shares of, interests in, rights to purchase, warrants or options for, participations in, or other equivalents of, in each case however designated, the equity of such Person, but excluding any debt securities convertible into such equity.

“Change of Control Transaction” means the occurrence after the date hereof of any of (a) an acquisition after the date hereof by an individual or legal entity or “group” (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) (other than a Permitted Holder) of effective control (whether through legal or beneficial ownership of Capital Stock of the Company, by contract or otherwise) of in excess of 50% of the voting securities of the Company (other than by means of conversion or exercise of the Note), (b) the Company merges into or consolidates with any other Person, or any Person merges into or consolidates with the Company and, after giving effect to such transaction, the stockholders of the Company immediately prior to such transaction and Permitted Holders own less than 50% of the aggregate voting power of the Company or the successor entity of such transaction, or (c) the Company Disposes of all or substantially all of its assets to another Person other than a direct or indirect wholly-owned Domestic Subsidiary that is Guarantor and has executed a joinder to the Security Agreement at the time of such Disposition or that becomes a Guarantor and executes a joinder to the Security Agreement concurrently with such disposition and, in any case, the Holder has been given 10 Business Days prior written notice of such Disposition.

“Close of Business” means 5:00 p.m., New York City time.

“Collateral” shall have the meaning given such term in the Security Agreement.

“Commission” means the U.S. Securities Exchange Commission.

“Common Stock Change Event” shall have the meaning set forth in Section 5(g).

“Common Stock Equivalents” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

“Company Counsel” means Foley Shechter Ablovatskiy LLP, 1359 Broadway, 20th Floor, Suite 2001, New York, NY 10018.

“Company Non-Compliance Notice” shall have the meaning set forth in Section 6(b).

“Conversion Date” shall have the meaning set forth in Section 4(b)(i).

“Conversion Price” shall have the meaning set forth in Section 4(b)(ii).

“Conversion Share Delivery Date” shall have the meaning set forth in Section 4(b)(iii).

“Conversion Shares” means, collectively, the shares of Common Stock issuable upon conversion of this Note pursuant to Section 4(b).

“Delivery Date” means with respect to Conversion Shares, the applicable Conversion Share Delivery Date.

“Delivery Failure” has the meaning set forth Section 4(e).

“Dispose” and “Disposition” means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction or by way of a merger) of any assets or property by any Person, including, without limitation, any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person, excluding any sales of inventory in the ordinary course of business on ordinary business terms.

“Disqualified Stock” shall mean, with respect to any person, any Equity Interests of such Person that, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (except as a result of a Change of Control Transaction so long as any rights of the holders thereof upon the occurrence of a Change of Control Transaction shall be subject to the prior repayment in full of the Note), (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Stock.

“Dollar Volume Limitation” means 15% of the aggregate dollar trading volume of the Common Stock on the Principal Market (or other applicable Trading Market) over the 20 consecutive Trading Day period ending on the Trading Day immediately preceding the commencement of any Interest Notice Period. For the purposes of this definition, the term “dollar trading volume” for any VWAP Trading Day shall be determined by multiplying the VWAP by the volume as reported on Bloomberg for such VWAP Trading Day.

“Domestic Subsidiary” means any Subsidiary that is incorporated or organized under the laws of any state of the United States or the District of Columbia, other than any such Subsidiary owned directly or indirectly by a Foreign Subsidiary.

“DTC” means the Depository Trust Company.

“Equity Conditions” means, during the period in question, (a) the Company shall not have failed to duly honor any conversions scheduled to occur or occurring by virtue of one or more Notices of Conversion (b) the Company shall have paid all liquidated damages and other amounts owing to the Holder in respect of this Note, (c) all of the shares of Common Stock issued, issuable or required to be issued pursuant to the Transaction Documents are Freely Transferrable, (d) the Common Stock is trading on a Trading Market and all shares of Common Stock issued, issuable or required to be issued pursuant to Section 2(a) of this Note are listed or quoted (or approved for such listing or quotation, subject to notice of issuance) for trading on such Trading Market (and the Company believes, in good faith, that trading of the Common Stock on a Trading Market will continue uninterrupted for the foreseeable future) and the issuance of such shares of Common Stock pursuant to the Transaction Documents would not violate the rules and regulations of any such Trading Market, (e) there is a sufficient number of authorized but unissued and otherwise unreserved shares of Common Stock for the issuance of all of the shares then issuable pursuant to the Transaction Documents, (f) there is no existing Event of Default and no existing event which, with the expiration of a cure period or the giving of notice, would constitute an Event of Default, (g) the issuance of the shares of Common Stock in question to the Holder would not violate the limitations set forth in Section 4(i), (h) there has been no public announcement of a pending or proposed Fundamental Transaction or Change of Control Transaction that has not been consummated, (i) the applicable Holder is not in possession of any information provided by or on behalf of the Company that constitutes, or may constitute, material non-public information, (j) the VWAP of the Common Stock is at least \$1.50 per share (proportionately adjusted for any stock split, stock dividend, stock combination or other similar transaction) on each Trading Day, and (k) the Common Stock is DTC eligible (and not subject to “chill”) and the Company’s transfer agent is participating in DTC’s Fast Automated Securities Transfer Program.

“Equity Interests” means, with respect to any Person, all of the shares of Capital Stock of (or other ownership or profit interests in) such Person, all Common Stock Equivalents, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of Capital Stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of Capital Stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“Event of Default” shall have the meaning set forth in Section 7(a).

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

“Ex-Dividend Date” means, with respect to an issuance, dividend or distribution on the Common Stock, the first date on which shares of Common Stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive such issuance, dividend or distribution (including pursuant to due bills or similar arrangements required by the relevant stock exchange). For the avoidance of doubt, any alternative trading convention on the applicable exchange or market in respect of the Common Stock under a separate ticker symbol or CUSIP number will not be considered “regular way” for this purpose.

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

“Free Cash” means unencumbered, unrestricted cash of the Company or any Guarantor (other than encumbrances or restrictions arising under the Transaction Documents) on deposit in one or more bank accounts subject to Account Control Agreements.

“Freely Transferrable” means, with respect to any Note Shares issued or issuable to the Holder, that either:

(a) such Note Shares may be resold by the Holder pursuant to Rule 144 without volume or manner-of-sale restrictions (each as provided in Rule 144) as reasonably determined by Company Counsel; provided, however, this clause (a) shall not be deemed satisfied during (1) any period that the Company is not in compliance with the current public information requirements under Rule 144(c) or any information requirements of paragraph (i) of Rule 144, in each case if applicable, or (2) any Rule 12b-25 extension period with respect to any quarterly or annual report of the Company that is not filed by the prescribed due date therefor (for the avoidance of doubt, without giving effect to such extension period); or

(b) a “resale” registration statement under the Securities Act, in customary form, is effective under the Securities Act, registering the resale of such Note Shares by Holder and names Holder as a selling security holder thereunder, and such “resale” registration statement is reasonably acceptable to the Holder.

“Fundamental Transaction” means (a) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (b) the Company, directly or indirectly, effects any sale, lease, exclusive license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (c) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (d) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock (but, for the avoidance of doubt, excluding any transaction, event or occurrence covered by Section 5(a)) or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, (e) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or Affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination).

“Governmental Authority” means any national, supranational, federal, state, county, provincial, local, municipal or other government or political subdivision thereof (including any Regulatory Authority), whether domestic or foreign, and any agency, authority, commission, ministry, instrumentality, regulatory body, court, tribunal, arbitrator, central bank or other Person exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to any such government.

“Guarantor” means any Subsidiary that has guaranteed the Company’s obligations hereunder and granted to the Holder a security interest in substantially all of the assets of such Subsidiary.

“Indebtedness” of a Person shall include (a) all obligations for borrowed money or the deferred purchase price of property or services (excluding trade credit or accounts payable incurred in the ordinary course of business that are not more than 60 days past due), (b) all obligations evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, surety bonds, bankers acceptances, current swap agreements, interest rate hedging agreements, interest rate swaps or other financial products, (c) all capital lease obligations, (d) all obligations or liabilities secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed by such Person, (e) any obligation arising with respect to any other transaction that is the functional equivalent of borrowing but which does not constitute a liability on the balance sheets of such Person, (f) Disqualified Stock, and (g) any obligation guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse) any of the foregoing obligations of any other Person.

“Interest Notice Period” means, with respect to each Interest Payment Date, the 20 consecutive Trading Days immediately preceding such Interest Payment Date.

“Interest Payment Date” shall have the meaning set forth in Section 2(a).

“Interest Share Amount” shall have the meaning set forth in Section 2(a).

“Investments” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition (including by merger) of Equity Interests of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person.

“Last Reported Sale Price” of the Common Stock for any Trading Day means the closing sale price per share (or, if no closing sale price is reported, the average of the last bid price and the last ask price per share or, if more than one in either case, the average of the average last bid prices and the average last ask prices per share) of Common Stock on such Trading Day as reported in composite transactions for the Principal Market. If the Common Stock is not listed on a U.S. national or regional securities exchange on such Trading Day, then the Last Reported Sale Price will be the last quoted bid price per share of Common Stock on such Trading Day in the over-the-counter market as reported by OTC Markets Group Inc. or a similar organization. If the Common Stock is not so quoted on such Trading Day, then the Last Reported Sale Price will be the average of the mid-point of the last bid price and the last ask price per share of Common Stock on such Trading Day from a nationally recognized independent investment banking firm selected by (and at the cost of) the Company; provided such firm shall be reasonably acceptable to the Holder.

“Lien” means any mortgage, deed of trust, pledge, hypothecation, assignment for security, security interest, encumbrance, levy, lien or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, against any property, any conditional sale or other title retention agreement, and any lease in the nature of a security interest.

“Market Disruption Event” means, with respect to any date, the occurrence or existence, during the one-half hour period ending at the scheduled close of trading on such date on the Principal Market, of any material suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Common Stock or in any options, contracts or futures contracts relating to the Common Stock.

“Note Register” shall have the meaning set forth in Section 2(c).

“Note Shares” means all Conversion Shares.

“Notice of Conversion” shall have the meaning set forth in Section 4(b)(i).

“Open of Business” means 9:00 a.m., New York City time.

“Original Issue Date” means September 15, 2020, regardless of any transfers of the Note or amendments to the Note and regardless of the number of instruments which may be issued to evidence the Note.

“Permitted Holder” means (a) Robert S. Ellin, (b) any Affiliate of Robert S. Ellin, provided, that such Robert S. Ellin is the record and beneficial owner of at least 67% of the voting securities of such Affiliate, (c) the parents, spouse or lineal descendants of Robert S. Ellin (it being understood that lineal descendants include children by adoption) and/or (d) any trust, the beneficiaries of which include only Robert S. Ellin or the persons identified in clause (c).

“Permitted Lien” means the individual and collective reference to the following: (a) Liens for taxes, assessments and other governmental charges or levies not yet due or Liens for taxes, assessments and other governmental charges or levies being contested in good faith and by appropriate proceedings for which adequate reserves (in the good faith judgment of the management of the Company) have been established in accordance with GAAP, (b) Liens imposed by law which were incurred in the ordinary course of the Company’s business, such as carriers’, warehousemen’s, materialmen’s and mechanics’ Liens, statutory landlords’ Liens, and other similar Liens arising in the ordinary course of the Company’s business, and which (x) do not individually or in the aggregate materially detract from the value of the property or assets subject to such Lien or materially impair the use thereof in the operation of the business of the Company and its consolidated Subsidiaries or (y) are being contested in good faith by appropriate proceedings, which proceedings have the effect of preventing for the foreseeable future the forfeiture or sale of the property or asset subject to such Lien, (c) Liens in favor of the Holder, (d) Liens for reasonable and customary banking fees granted to banks or other financial institutions in the ordinary course of business in connection with, and which solely encumber, deposit, disbursement or concentration accounts (other than in connection with borrowed money) maintained with such banks or financial institutions that do not exceed \$50,000 in the aggregate, (e) Liens in connection with Indebtedness incurred by lease obligations and purchase money indebtedness, incurred in connection with the acquisition of capital assets and lease obligations with respect to newly acquired or leased assets, provided that such lease obligations and purchase money indebtedness are only recourse to the assets being acquired or leased, (f) Liens consisting of deposits or pledges made in the ordinary course of business in connection with workers’ compensation, unemployment, social security and similar laws, (g) Liens in favor of any existing lenders in connection with any Subsidiary acquired after the Original Issuance Date, provided that such Lien only encumbers the assets of such after acquired Subsidiary, (h) Liens existing on the Original Issuance Date which are disclosed on Schedule A, and (i) Liens which the Holder has consented to in writing.

“Person” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

“Principal Market” means the Nasdaq Capital Market or such other Trading Market where the Common Stock is then listed or quoted.

“Public Information Failure” shall have the meaning set forth in the Purchase Agreement.

“Purchase Agreement” means the Securities Purchase Agreement, dated as of July 2, 2020, among the Company and Holder, as amended, modified or supplemented from time to time in accordance with its terms.

“Reference Property” shall have the meaning set forth in Section 5(g).

“Reference Property Unit” shall have the meaning set forth in Section 5(g).

“Requisite Stockholder Approval” means any and all stockholder approvals that would be required under the listing standards of the Nasdaq Capital Market to permit the Company to settle interest on this Note in shares of Common Stock pursuant to Section 2.

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

“Significant Subsidiary” shall have the meaning set forth in Rule 1-02(w) of Regulation S-X, but shall exclude LiveXLive Tickets, Inc.

“Spin-Off” shall have the meaning set forth in Section 5(c)(ii).

“Spin-Off Valuation Period” shall have the meaning set forth in Section 5(c)(ii).

“Stock Payment Price” means, with respect to the Interest Shares Advance Date or Interest Payment Date in question, the lesser of (a) 90% of the average of the 3 lowest VWAPs during the 20 consecutive VWAP Trading Day period immediately preceding such date and (b) the Conversion Price in effect on such date; provided, however, that the Stock Payment Price will in no event be less than \$1.00 per share (proportionately adjusted for any stock split, stock dividend, stock combination or other similar transaction).

“Subsidiary” means an entity, whether corporate, partnership, limited liability company, joint venture or otherwise, in which the Company owns or controls 25% or more of the outstanding voting securities, including each entity listed on Schedule B hereto.

“Successor Entity” shall have the meaning set forth in Section 5(g).

“Tender/Exchange Offer Expiration Date” shall have the meaning set forth in Section 5(e).

“Tender/Exchange Offer Expiration Time” shall have the meaning set forth in Section 5(e).

“Tender/Exchange Offer Valuation Period” shall have the meaning set forth in Section 5(e).

“Trading Day” means any day on which (a) trading in the Common Stock generally occurs on the principal Trading Market; and (b) there is no Market Disruption Event. If the Common Stock is not so listed or traded, then “Trading Day” means a Business Day.

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

“VWAP” means, for any VWAP Trading Day, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such VWAP Trading Day (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported under the heading “Bloomberg VWAP” on Bloomberg page “LIVX <EQUITY> AQR” (or, if such page is not available, its equivalent successor page), in respect of the period from 9:30 a.m. (local time in New York City, New York) to 4:00 p.m. (local time in New York City, New York) or (b) if such volume-weighted average price is unavailable, the fair market value of a share of Common Stock as of such VWAP Trading Day as determined by a nationally recognized independent investment banking firm selected by (and at the cost of) the Company.

“VWAP Market Disruption Event” means, with respect to any date, (a) the failure by a principal Trading Market to open for trading during its regular trading session on such date; or (b) the occurrence or existence, for more than one half hour period in the aggregate, of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Common Stock or in any options, contracts or futures contracts relating to the Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m., New York City time, on such date.

“VWAP Trading Day” means a day on which (a) there is no VWAP Market Disruption Event; and (b) trading in the Common Stock generally occurs on the principal Trading Market.

Section 2. Interest; No Prepayment.

(a) Payment of Interest in Cash. The Company shall pay interest to the Holder on the aggregate then outstanding principal amount of this Note at the Applicable Interest Rate, payable quarterly in arrears as of the last Trading Day of each fiscal quarter (beginning with the fiscal quarter ending September 30, 2020) and on the Maturity Date (each such date, an “Interest Payment Date”), in cash. The Note shall not be prepaid without written consent of Holder.

(b) [Intentionally Deleted]

(c) Interest Calculations. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months, and shall accrue daily (but without compounding) commencing on the Original Issue Date until payment in full of the outstanding principal (including, for the avoidance of doubt, any original issue discount), together with all accrued and unpaid interest, liquidated damages and other amounts which may become due hereunder, has been made. Interest hereunder will be paid to the Person in whose name this Note is registered on the records of the Company regarding registration and transfers of this Note (the “Note Register”) or such Person’s designee identified to the Company in writing

Section 3. Registration of Transfers and Exchanges.

(a) Different Denominations. This Note is exchangeable for an equal aggregate principal amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be payable for such registration of transfer or exchange.

(b) Investment Representations. This Note has been issued subject to certain investment representations of the original Holder set forth in the Purchase Agreement and may be transferred or exchanged only in compliance with the Purchase Agreement and applicable federal and state securities laws and regulations.

(c) Reliance on Note Register. Prior to due presentment for transfer to the Company of this Note, the Company and any agent of the Company may treat the Person in whose name this Note is duly registered on the Note Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

Section 4. Voluntary Conversion; Delivery of Note Shares.

(a) Intentionally Omitted.

(b) Voluntary Conversion.

(i) Voluntary Conversion. Commencing on the Original Issue Date, and thereafter from time to time until this Note is no longer outstanding, this Note shall be convertible, in whole or in part having a principal amount that is an integral multiple of \$1,000 (or such lesser principal amount of this Note as may then be outstanding), into shares of Common Stock at the option of the Holder, subject to the conversion limitations set forth in Section 4(i). The Holder shall effect conversions by delivering to the Company a Notice of Conversion, the form of which is attached hereto as Annex A (each, a “Notice of Conversion”), specifying therein the principal amount of this Note to be converted. The date such Notice of Conversion is deemed delivered hereunder will be deemed to be the “Conversion Date.” No ink-original Notice of Conversion shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Conversion form be required. To effect conversions hereunder, the Holder shall not be required to physically surrender this Note to the Company unless the entire principal amount of this Note, plus all accrued and unpaid interest thereon, has been so converted. Conversions hereunder shall have the effect of lowering the outstanding principal amount of this Note in an amount equal to the applicable conversion. The Holder and the Company shall maintain records showing the principal amount(s) converted and the date of such conversion(s). In the event of any dispute or discrepancy, the records of the Holder shall be controlling and determinative in the absence of manifest error. The Holder, and any assignee by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note may be less than the amount stated on the face hereof.

(ii) Conversion Price. The conversion price in effect on any Conversion Date shall be equal to \$4.50, subject to adjustment as provided herein (the “Conversion Price”).

(iii) Conversion Shares Issuable Upon Conversion of Principal Amount; Delivery Date. The number of Conversion Shares issuable upon a conversion hereunder shall be determined by the quotient obtained by dividing (x) the outstanding principal amount of this Note to be converted (plus, to extent the Company so elects pursuant to the immediately following sentence, accrued and unpaid interest thereon to, but excluding, the applicable Conversion Date) by (y) the Conversion Price in effect on the applicable Conversion Date. Upon conversion of any portion of this Note, accrued and unpaid interest on such converted portion to, but excluding, the applicable Conversion Date will be paid, at the Company’s election, either (A) in cash to be delivered on or before the related Conversion Share Delivery Date or (B) by adding such accrued and unpaid interest to the amount referred to in clause (x) above; provided, however, that the Company will not have the right to, and will not, elect to pay such accrued and unpaid interest in the manner provided in clause (B) above if such election is not then permitted by the listing standards of the Principal Market. The Company shall deliver all Conversion Shares to the Holder within two (2) Trading Days after the date of the applicable Notice of Conversion (the date by which such delivery must be made, subject to Sections 5(c)(ii), 5(e) and 5(f)(ii), the “Conversion Share Delivery Date”).

(c) Intentionally Omitted.

(d) Delivery of Certificate for Conversion Shares. The Company shall deliver to the Holder a certificate or certificates for the full number of Note Shares required to be delivered by the applicable Delivery Date; provided, however, that following the 6 month anniversary of the Original Issue Date (and provided, without limiting any rights of the Holder under this Note or the other Transaction Documents, that the Company is compliance with the public information requirements of Rule 144(c), if applicable, and all information requirements of Rule 144(i)), the Company shall deliver any Note Shares required to be issued by the Company electronically through DTC without restrictive legends or trading restrictions of any kind not later than the applicable Delivery Date. The Company shall, at its own expense, cause there to be issued one or more legal opinions, if any, required to issue Note Shares without any restrictive legends or trading restrictions of any kind. If Conversion Shares are not delivered to or as directed by the applicable Delivery Date, the Holder shall, in addition to, and not in limitation of, its other rights and remedies under this Note and the other Transaction Documents, be entitled to elect by written notice to the Company at any time on or before its receipt of such Conversion Shares, to rescind the applicable Notice of Conversion.

(e) Obligation Absolute; Partial Liquidated Damages. The Company's obligations to issue and deliver Note Shares in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Note Shares; provided, however, that such delivery shall not operate as a waiver by the Company of any such action the Company may have against the Holder. The Company may not refuse to issue any Note Shares required to be issued hereunder based on any claim that the Holder or anyone associated or Affiliated with the Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice to Holder, shall have been sought and obtained, and the Company posts a surety bond for the benefit of the Holder in the amount of 150% of the outstanding principal amount of this Note, which is subject to the injunction, which bond shall remain in effect until the completion of litigation of the underlying dispute and the proceeds of which shall be payable to the Holder to the extent it obtains judgment. In the absence of such injunction, the Company shall issue Note Shares required to be issued hereunder in accordance with the terms hereof. If the Company fails for any reason to deliver to the Holder Note Shares required to be issued pursuant to any provision of this Note by the second Trading Day following the applicable Delivery Date (a "Delivery Failure"), the Company shall pay to the Holder, in cash, as partial liquidated damages and not as a penalty, for each \$1,000 of principal amount being redeemed or converted, as applicable, \$1.25 per Trading Day for each Trading Day after the second Trading Day following such Delivery Date until such Note Shares are delivered or the Holder rescinds such conversion. Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to Section 7 hereof for the Company's failure to deliver Note Shares within the applicable period specified in this Note and the Holder shall have the right to pursue all remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law. Without limiting the foregoing, the Company acknowledges that to the extent that the Company does not honor, or indicates to the Holder that it will not honor, Conversion Notices (a "Repudiation") the Holder's damages, in addition to out-of-pocket expenses and other damages, shall include Holder's entire lost profit resulting from its inability to receive Note Shares, which lost profit shall be calculated as the maximum number of Note Shares that the Holder would have been able to receive pursuant to any provision of this Note at or following the time of such Repudiation multiplied by any reported trading price of the Common Stock from and after the time of the Repudiation selected by the Holder (whether or not the Holder has actually tendered Conversion Notices for such maximum number of Note Shares).

(f) Compensation for Buy-In on Failure to Timely Deliver Certificates. If the Company shall fail for any reason, or for no reason, on or prior to the applicable Delivery Date to deliver share certificates or credit the Holder's or its broker's DTC account (whichever is required pursuant to Section 4(d)), for such number of Note Shares to which the Holder is entitled under this Note (a "Delivery Failure") and if on or after such Delivery Date the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable pursuant to this Note that the Holder anticipated receiving from the Company (a "Buy-In"), then, in addition to all other remedies available to the Holder, the Company shall, within three (3) Trading Days after the Holder's request and in the Holder's discretion, either (i) pay cash to the Holder in an amount equal to the Holder's total purchase price (including brokerage commissions and other reasonable out-of-pocket expenses, if any) for the shares of Common Stock so purchased (the "Buy-In Price"), at which point the Company's obligation to credit such Holder's or its broker's DTC account for such Note Shares shall terminate, or (ii) promptly honor its obligation to deliver such share certificates or credit such Holder's or its broker's DTC account, as applicable, and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of Note Shares, times (B) any trading price of the shares of Common Stock selected by the Holder in writing as in effect at any time during the period beginning on the Interest Shares Advance Date, Interest Payment Date or Conversion Share Delivery, as applicable, and ending on the applicable Delivery Date. Nothing shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity, including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver Note Shares pursuant to the terms hereof. Notwithstanding anything to the contrary herein, any cash payment paid pursuant to this Section 4(f) will reduce any amounts that may be due to the Holder on account of the Delivery Failure pursuant to Section 4(e).

(g) Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued under this Note. As to any fraction of a share which the Holder would otherwise be entitled, the Company shall pay a cash amount equal to the product of the VWAP on the applicable Conversion Date and such fraction.

(h) Transfer Taxes and Expenses. The issuance of Note Shares shall be made without charge to the Holder hereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such Note Shares, other than any tax that may be payable as a result of any Holder requesting any Note Share to be issued to or registered in the name of a person other than such Holder. The Company shall pay all Transfer Agent fees required for processing of any issuance of Note Shares and all fees to DTC (or another established clearing corporation performing similar functions) required for same-day electronic delivery of Note Shares.

(i) Beneficial Ownership Limitation. Notwithstanding anything to the contrary set forth in this Note, at no time may the Company issue to the Holder Note Shares to the extent that after giving effect to such issuance, the Holder (together with the Holder's Affiliates, and any Persons acting as a group together with the Holder or any of the Holder's Affiliates) would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of this Section 4(i), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. To the extent that the limitation contained in this Section 4(i) applies, the determination of whether shares of Common Stock may be issued pursuant to this Note (in relation to other securities owned by the Holder together with any Affiliates) shall be in the sole discretion of the Holder, and the submission of a Notice of Conversion shall be deemed to be the Holder's determination of whether shares of Common Stock may be issued pursuant to this Note (in relation to other securities owned by the Holder together with any Affiliates) subject to the Beneficial Ownership Limitation. In addition, the Holder may notify the Company that the issuance of any Note Shares would cause the Holder to exceed the Beneficial Ownership Limitation, in which case, the Company shall only issue to the Holder such number of shares of Common Stock that would not cause the Holder to exceed the Beneficial Ownership (as determined by the Holder in accordance with this Section 4(i)). In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 4(i), in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (i) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (ii) a more recent public announcement by the Company, or (iii) a more recent written notice by the Company or the Company's Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two (2) Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then actually outstanding. For purposes of determining beneficial ownership pursuant to this Section 4(i), the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company by the Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.9% of the number of shares of the Common Stock outstanding immediately after giving effect to the applicable issuance of shares of Common Stock pursuant to this Note held by the Holder. The Holder, upon not less than 61 days' prior notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 4(i), provided that the Beneficial Ownership Limitation in no event exceeds 9.9% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock pursuant to the terms of this Note and the Beneficial Ownership Limitation provisions of this Section 4(i) shall continue to apply. Any such increase or decrease will not be effective until the sixty-first day after such notice is delivered to the Company. The Beneficial Ownership Limitation provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 4(i) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation contained herein or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Note.

Section 5. Certain Adjustments.

(a) Stock Dividends, Splits and Combinations. If the Company issues solely shares of Common Stock as a dividend or distribution on all or substantially all shares of the Common Stock, or if the Company effects a stock split or a stock combination of the Common Stock (in each case excluding an issuance solely pursuant to a Common Stock Change Event, as to which Section 5(g) will apply), then the Conversion Price will be adjusted based on the following formula:

$$CP_1 = CP_0 \times \frac{OS_0}{OS_1}$$

where:

- CP_0 = the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such dividend or distribution, or immediately before the Open of Business on the effective date of such stock split or stock combination, as applicable;
- CP_1 = the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date or the Open of Business on such effective date, as applicable;
- OS_0 = the number of shares of Common Stock outstanding immediately before the Open of Business on such Ex-Dividend Date or effective date, as applicable, without giving effect to such dividend, distribution, stock split or stock combination; and
- OS_1 = the number of shares of Common Stock outstanding immediately after giving effect to such dividend, distribution, stock split or stock combination.

If any dividend, distribution, stock split or stock combination of the type described in this Section 5(a) is declared or announced, but not so paid or made, then the Conversion Price will be readjusted, effective as of the date the Company determines not to pay such dividend or distribution or to effect such stock split or stock combination, to the Conversion Price that would then be in effect had such dividend, distribution, stock split or stock combination not been declared or announced.

(b) Rights, Options and Warrants. If the Company distributes, to all or substantially all holders of Common Stock, rights, options or warrants (other than rights issued or otherwise distributed pursuant to a stockholder rights plan, as to which the provisions set forth in Sections 5(c)(i) and 5(f)(iii) will apply) entitling such holders, for a period of not more than 60 calendar days after the record date of such distribution, to subscribe for or purchase shares of Common Stock at a price per share that is less than the average of the Last Reported Sale Prices per share of Common Stock for the 10 consecutive Trading Days ending on, and including, the Trading Day immediately before the date such distribution is announced, then the Conversion Price will be based on the following formula:

$$CP_I = CP_0 \times \frac{OS + Y}{OS + X}$$

where:

CP_0 = the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such distribution;

CP_I = the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date;

OS = the number of shares of Common Stock outstanding immediately before the Open of Business on such Ex-Dividend Date;

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

Y = a number of shares of Common Stock obtained by dividing (x) the aggregate price payable to exercise such rights, options or warrants by (y) the average of the Last Reported Sale Prices per share of Common Stock for the ten (10) consecutive Trading Days ending on, and including, the Trading Day immediately before the date such distribution is announced.

To the extent that shares of Common Stock are not delivered after the expiration of such rights, options or warrants (including as a result of such rights, options or warrants not being exercised), the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the decrease to the Conversion Price for such distribution been made on the basis of delivery of only the number of shares of Common Stock actually delivered upon exercise of such rights, option or warrants. To the extent such rights, options or warrants are not so distributed, the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the Ex-Dividend Date for the distribution of such rights, options or warrants not occurred.

For purposes of this Section 5(b), in determining whether any rights, options or warrants entitle holders of Common Stock to subscribe for or purchase shares of Common Stock at a price per share that is less than the average of the Last Reported Sale Prices per share of Common Stock for the 10 consecutive Trading Days ending on, and including, the Trading Day immediately before the date of the distribution of such rights, options or warrants is announced, and in determining the aggregate price payable to exercise such rights, options or warrants, there will be taken into account any consideration the Company receives for such rights, options or warrants and any amount payable on exercise thereof, with the value of such consideration, if not cash, to be determined by the Company in good faith.

(c) Spin-Offs and Other Distributed Property.

(i) Distributions Other than Spin-Offs. If the Company distributes shares of its Capital Stock, evidences of its indebtedness or other assets or property of the Company, or rights, options or warrants to acquire Capital Stock of the Company or other securities, to all or substantially all holders of the Common Stock, excluding:

- (1) dividends, distributions, rights, options or warrants for which an adjustment to the Conversion Price is required (or would be required without regard to Section 5(f)(iv)) pursuant to Section 5(a) or Section 5(b);
- (2) dividends or distributions paid exclusively in cash for which an adjustment to the Conversion Price is required (or would be required without regard to Section 5(f)(iv)) pursuant to Section 5(d);
- (3) rights issued or otherwise distributed pursuant to a stockholder rights plan, except to the extent provided in Section 5(f)(iii); or
- (4) Spin-Offs for which an adjustment to the Conversion Price is required (or would be required without regard to Section 5(f)(iv)) pursuant to Section 5(c)(ii); and
- (5) a distribution solely pursuant to a Common Stock Change Event, as to which Section 5(g) will apply,

then the Conversion Price will be decreased based on the following formula:

$$CP_I = CP_0 \times \frac{SP - FMV}{SP}$$

where:

- | | | |
|--------|---|--|
| CP_0 | = | the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such distribution; |
| CP_I | = | the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date; |
| SP | = | the average of the Last Reported Sale Prices per share of Common Stock for the 10 consecutive Trading Days ending on, and including, the Trading Day immediately before such Ex-Dividend Date; and |
| FMV | = | the fair market value (as determined by the Company in good faith), as of such Ex-Dividend Date, of the shares of Capital Stock, evidences of indebtedness, assets, property, rights, options or warrants distributed per share of Common Stock pursuant to such distribution; |

provided, however, that if *FMV* is equal to or greater than *SP*, then, in lieu of the foregoing adjustment to the Conversion Price, the Holder will participate in such distribution, at the same time and on the same terms as holders of Common Stock and without converting any Notes, as if the Holder held, on the record date for such distribution, a number of Conversion Shares that would have been issuable upon conversion of the total outstanding principal amount of Notes held by such Holder as of such record date assuming such outstanding principal amount were converted with a Conversion Date occurring on such record date.

To the extent such distribution is not so paid or made, or such rights, options or warrants are not exercised before their expiration (including as a result of being redeemed or terminated), the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the adjustment been made on the basis of only the distribution, if any, actually made or paid or on the basis of the distribution of only such rights, options or warrants, if any, that were actually exercised, if at all.

(ii) Spin-Offs. If the Company distributes or dividends shares of Capital Stock of any class or series, or similar equity interest, of or relating to an Affiliate, a Subsidiary or other business unit of the Company to all or substantially all holders of the Common Stock (other than solely pursuant to a Common Stock Change Event, as to which Section 5(g) will apply), and such Capital Stock or equity interest is listed or quoted (or will be listed or quoted upon the consummation of the transaction) on a U.S. national securities exchange (a "Spin-Off"), then the Conversion Price will be decreased based on the following formula:

$$EP_1 = EP_0 \times \frac{SP}{FMV + SP}$$

where:

<i>CP₀</i>	=	the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such Spin-Off;
<i>CP₁</i>	=	the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date;
<i>FMV</i>	=	the product of (x) the average of the Last Reported Sale Prices per share or unit of the Capital Stock or equity interests distributed in such Spin-Off over the 10 consecutive Trading Day period (the " <u>Spin-Off Valuation Period</u> ") beginning on, and including, such Ex-Dividend Date (such average to be determined as if references to Common Stock in the definitions of Last Reported Sale Price and Trading Day were instead references to such Capital Stock or equity interests); and (y) the number of shares or units of such Capital Stock or equity interests distributed per share of Common Stock in such Spin-Off; and
<i>SP</i>	=	the average of the Last Reported Sale Prices per share of Common Stock for each Trading Day in the Spin-Off Valuation Period.

The adjustment to the Conversion Price pursuant to this Section 5(c)(ii) will be calculated as of the Close of Business on the last Trading Day of the Spin-Off Valuation Period but will be given effect immediately after the Open of Business on the Ex-Dividend Date for the Spin-Off, with retroactive effect. If this Note is exercised and the Conversion Date occurs during the Spin-Off Valuation Period, then, notwithstanding anything to the contrary in this Note, the Company will, if necessary, delay the settlement of such exercise until the third Trading Day after the last day of the Spin-Off Valuation Period.

To the extent any dividend or distribution of the type set forth in this Section 5(c)(ii) is declared but not made or paid, the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the adjustment been made on the basis of only the dividend or distribution, if any, actually made or paid.

(d) Cash Dividends or Distributions. If any cash dividend or distribution is made to all or substantially all holders of Common Stock, then the Conversion Price will be decreased based on the following formula:

$$EP_1 = EP_0 \times \frac{SP - D}{SP}$$

where:

- CP_0 = the Conversion Price in effect immediately before the Open of Business on the Ex-Dividend Date for such dividend or distribution;
- CP_1 = the Conversion Price in effect immediately after the Open of Business on such Ex-Dividend Date;
- SP = the Last Reported Sale Price per share of Common Stock on the Trading Day immediately before such Ex-Dividend Date; and
- D = the cash amount distributed per share of Common Stock in such dividend or distribution;

provided, however, that if D is equal to or greater than SP , then, in lieu of the foregoing adjustment to the Conversion Price, the Holder will participate in such dividend or distribution, at the same time and on the same terms as holders of Common Stock and without converting the Note, as if the Holder held, on the record date for such dividend or distribution, a number of Conversion Shares that would have been issuable upon conversion of the total outstanding principal amount of the Note held by Holder as of such record date assuming such outstanding principal amount were converted with a Conversion Date occurring on such record date.

To the extent such dividend or distribution is declared but not made or paid, the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the adjustment been made on the basis of only the dividend or distribution, if any, actually made or paid.

(e) Tender Offers or Exchange Offers. If the Company or any of its Subsidiaries makes a payment in respect of a tender offer or exchange offer for shares of Common Stock, and the value (determined as of the Tender/Exchange Offer Expiration Time by the Company in good faith) of the cash and other consideration paid per share of Common Stock in such tender or exchange offer exceeds the Last Reported Sale Price per share of Common Stock on the Trading Day immediately after the last date (the “Tender/Exchange Offer Expiration Date”) on which tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended), then the Conversion Price will be decreased based on the following formula:

$$EP_1 = EP_0 \times \frac{OS_0 \times SP}{AC + (SP \times OS_1)}$$

where:

- CP_0 = the Conversion Price in effect immediately before the time (the “Tender/Exchange Offer Expiration Time”) such tender or exchange offer expires;
- CP_1 = the Conversion Price in effect immediately after the Tender/Exchange Offer Expiration Time;
- AC = the aggregate value (determined as of the Tender/Exchange Offer Expiration Time by the Company in good faith) of all cash and other consideration paid for shares of Common Stock purchased in such tender or exchange offer;
- OS_0 = the number of shares of Common Stock outstanding immediately before the Tender/Exchange Offer Expiration Time (before giving effect to the purchase of all shares of Common Stock accepted for purchase or exchange in such tender or exchange offer);
- OS_1 = the number of shares of Common Stock outstanding immediately after the Tender/Exchange Offer Expiration Time (excluding all shares of Common Stock accepted for purchase or exchange in such tender or exchange offer); and
- SP = the average of the Last Reported Sale Prices per of Common Stock over the 10 consecutive Trading Day period (the “Tender/Exchange Offer Valuation Period”) beginning on, and including, the Trading Day immediately after the Tender/Exchange Offer Expiration Date;

provided, however, that the Conversion Price will in no event be adjusted upwards pursuant to this Section 5(e), except to the extent provided in the immediately following paragraph. The adjustment to the Conversion Price pursuant to this Section 5(e) will be calculated as of the Close of Business on the last Trading Day of the Tender/Exchange Offer Valuation Period but will be given effect immediately after the Tender/Exchange Offer Expiration Time, with retroactive effect. If this Note is converted and the Conversion Date occurs during the Tender/Exchange Offer Valuation Period, then, notwithstanding anything to the contrary in this Note, the Company will, if necessary, delay the settlement of such exercise until the third Trading Day after the last day of the Tender/Exchange Offer Valuation Period.

To the extent such tender or exchange offer is announced but not consummated (including as a result of the Company being precluded from consummating such tender or exchange offer under applicable law), or any purchases or exchanges of shares of Common Stock in such tender or exchange offer are rescinded, the Conversion Price will be readjusted to the Conversion Price that would then be in effect had the adjustment been made on the basis of only the purchases or exchanges of shares of Common Stock, if any, actually made, and not rescinded, in such tender or exchange offer.

(f) No Adjustment in Certain Cases.

(i) Where Holders Participate in the Transaction or Event Without Conversion. Notwithstanding anything to the contrary in Section 5, the Company will not be obligated to adjust the Conversion Price on account of a transaction or other event otherwise requiring an adjustment pursuant to clauses (b) through (d) of this Section 5 if the Holder participates, at the same time and on the same terms as holders of Common Stock, in such transaction or event without having to convert Holder's Note, as if the Holder held, on the record date for such transaction or event, a number of Conversion Shares that would have been issuable upon conversion of the total outstanding principal amount of the Note held by Holder as of such record date assuming such outstanding principal amount were converted with a Conversion Date occurring on such record date.

(ii) Conversion Rate Adjustments where Converting Holders Participate in the Relevant Transaction or Event. Notwithstanding anything to the contrary, if (1) a Conversion Price adjustment for any dividend or distribution becomes effective on any Ex-Dividend Date pursuant to clauses (a) through (e) of this Section 5; (2) any portion of this Note is to be converted; (3) the Conversion Date for such conversion occurs on or after such Ex-Dividend Date and on or before the related record date; (4) the Conversion Shares due upon such conversion are calculated based on a Conversion Price that is adjusted for such dividend or distribution; and (5) such shares would be entitled to participate in such dividend or distribution (including pursuant to Section 5(h)), then (x) such Conversion Price adjustment will not be given effect for such conversion; and (y) the Conversion Shares issuable upon such conversion based on such unadjusted Conversion Price will be entitled to participate in such dividend or distribution.

(iii) Stockholder Rights Plans. If any Conversion Shares are to be issued upon conversion of this Note and, at the time of such conversion, the Company has in effect any stockholder rights plan, then the Holder will be entitled to receive, in addition to, and concurrently with the delivery of, the Conversion Shares otherwise payable hereunder upon such conversion, the rights set forth in such stockholder rights plan, unless such rights have separated from the Common Stock at such time, in which case, and only in such case, the Conversion Price will be adjusted pursuant to Section 5(c)(i) on account of such separation as if, at the time of such separation, the Company had made a distribution of the type referred to in such Section to all holders of the Common Stock, subject to readjustment in accordance with such Section if such rights expire, terminate or are redeemed.

(iv) Adjustment Deferral. If an adjustment to the Conversion Rate otherwise required by clauses (b) through (d) of this Section 5 would result in a change of less than one percent (1%) to the Conversion Price, then, notwithstanding anything to the contrary, the Company may, at its election, defer such adjustment, except that all such deferred adjustments must be given effect immediately upon the earliest of the following: (i) when all such deferred adjustments would result in a change of at least one percent (1%) to the Conversion Price; and (ii) the Conversion Date of any portion of this Note.

(g) Fundamental Transaction. If, at any time while this Note is outstanding, the Company effects a Fundamental Transaction pursuant to which the Common Stock is exchanged for, converted into, or represents solely the right to receive any other securities, cash or other property (such transaction, a “Common Stock Change Event,” and such other securities, cash or property, the “Reference Property,” and the amount and kind of Reference Property that a holder of one share of Common Stock would be entitled to receive on account of such Fundamental Transaction (without giving effect to any arrangement not to issue or deliver a fractional portion of any security or other property), a “Reference Property Unit”), then, notwithstanding anything herein to the contrary, upon any conversion of this Note on or after the effective date of such Fundamental Transaction, each Note Share issuable hereunder will be payable hereunder in Reference Property determined in the same manner as if each reference to any number of shares of Common Stock herein (including in any definitions) were instead a reference to the same number of Reference Property Units. 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 composition of the Reference Property Unit will be deemed to be the types and amounts of consideration actually received, per share of Common Stock, by the holders of Common Stock. The Company shall, if applicable, cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the “Successor Entity”) to assume in writing all of the obligations of the Company under this Note in accordance with the provisions of this Section 5(e) pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the Holder of this Note, deliver to the Holder in exchange for this Note a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Note which is convertible for a corresponding number of Reference Property Units within five (5) Business Days of such Fundamental Transaction. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall, if applicable, succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Note and the other Transaction Documents referring to the “Company” shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Note and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein. For the avoidance of doubt, nothing in this Section 5(g) shall be deemed implied consent to any Fundamental Transaction otherwise prohibited by the Transaction Documents.

(h) Holder of Record of Conversion Shares. The Person in whose name any Conversion Share is issuable upon conversion of this Note will be deemed to become the holder of record of such share as of the Close of Business on the Conversion Date for such conversion.

(i) Calculations. All calculations under this Section 5 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 5, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Company) issued and outstanding.

(j) Notice to the Holder.

(i) Adjustment to Conversion Price. Whenever the Conversion Price is adjusted pursuant to any provision of this Section 5, the Company shall promptly deliver to the Holder a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(ii) Notice to Allow Conversion by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock of rights or warrants to subscribe for or purchase any shares of Capital Stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any Fundamental Transaction, Change of Control, consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of this Note, and shall cause to be delivered to the Holder at its last address as it shall appear upon the Note Register, at least 20 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange, provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K filed with the Commission. The Holder shall remain entitled to convert this Note during the 20-day period commencing on the date of such notice through the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

(k) No Implied Consent. The provisions of this Section 5 shall not be deemed to be implied consent to any transaction or other thing otherwise prohibited by the terms and conditions of this Note and the other Transaction Documents.

Section 6. Covenants.

(a) As long as any portion of this Note remains outstanding, and unless the Holder shall have otherwise given prior written consent, the Company shall not, and shall not permit any of the Subsidiaries to, directly or indirectly:

(i) issue Disqualified Stock;

(ii) amend its charter documents, including, without limitation, its certificate of incorporation and bylaws, in any manner that adversely affects any rights of the Holder under the Transaction Documents in any material respects;

(iii) repay, repurchase or offer to repay, repurchase or otherwise acquire any of its Equity Interests, other than repurchases of Common Stock or Common Stock Equivalents of departing officers, directors, and employees of the Company, provided that such repurchases shall not exceed an aggregate of \$250,000 for all officers, directors, and employees during the term of this Note;

(iv) pay or make dividends or distributions on any of its Equity Interests, except that any Subsidiary may, directly or indirectly, pay or make any dividend or distribution to the Company;

(v) create any new Domestic Subsidiary unless such Subsidiary is promptly added as a Guarantor and promptly executes a joinder to the Subsidiary Guaranty and Security Agreement;

(vi) enter into any transaction with any Affiliate of the Company which would be required to be disclosed in any public filing with the Commission (other than any transaction between or among any of the Company and one or more Guarantors), unless such transaction is made on an arm's length basis and expressly approved by a majority of the disinterested directors of the Company (even if less than a quorum otherwise required for board approval);

(vii) maintain deposit accounts, or accounts holding investment property, except (1) with respect to which the Holder has an Account Control Agreement and (2) which hold a balance of no more than \$250,000, provided however, that the aggregate amount of cash held in accounts that are not subject to Account Control Agreements shall not exceed \$1,000,000 at any time (for the avoidance of doubt, this clause (v) being subject to Section 2.4(a) of the Purchase Agreement); or

(viii) enter into any unconditional binding agreements in violation of any of the foregoing covenants.

(b) Holder Cooperation Related to Note Shares and Informational Requirements. The Holder will reasonably cooperate with the Company in connection with the issuance of Note Shares through the book-entry facilities of The Depository Trust Company. The Holder shall provide a customary seller representation letter and cause its broker to provide a customary broker representation letter, and the Company shall provide a customary issuer representation letter, in connection therewith. Holder agrees that it will not effect any resale of Note Shares unless (i) such resale is pursuant to an effective registration statement under the Securities Act, (ii) the Company is then in compliance with the informational requirements of Rule 144(c), if applicable, and the requirements of Rule 144(i)(2) or (iii) such Holder provides to the Company an opinion of its counsel, which opinion is reasonably acceptable to the Company, that such sale is otherwise permissible in accordance with Section 4(a)(1) of the Securities Act. Upon request by any Holder, the Company will promptly confirm (as promptly as practicable after the Holder's request if such request is made between the Open of Business and the Close of Business on a Business Day) whether or not such informational and other requirements are satisfied, and the Holder will be entitled to rely on such confirmation. In addition, the Holder shall cause its broker to provide an undertaking from such broker that prior to executing any sale of Note Shares on behalf of Holder, such broker will confirm the Company has filed with the Commission the Annual Report on Form 10-K and Quarterly Reports on Form 10-Q required to be filed under Section 13 or 15(d) of the Exchange Act within the preceding 12 months (a "Broker Undertaking"). The Broker Undertaking shall further provide that no sales of any Note Shares shall be made by such broker if the Holder has received a Company Non-Compliance Notice (as defined below). Notwithstanding the foregoing, the Company shall promptly notify the Holder in the event the Company is not in compliance with the informational requirements of Rule 144(c) (until such time as those requirements cease to apply under Rule 144(b)(1)) or the requirements of Rule 144(i)(2) (a "Company Non-Compliance Notice").

(c) Until the Notes are indefeasibly paid in full, the Company shall maintain on deposit in one or more accounts of a US incorporated bank or a US branch of a non-US incorporated bank an amount of Free Cash in aggregate equal to \$10,000,000, unless otherwise permitted by the written consent of the Holder, which shall not be unreasonably withheld, conditioned or delayed if the use of the cash is in the best interests of the Company, as determined by Holder.

Section 7. Events of Default.

(a) “Event of Default” means, wherever used herein, any of the following events (whatever the reason for such event and whether such event shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative body or Governmental Authority):

(i) any default in the payment of the principal amount of any Note, whether on the Maturity Date or by acceleration or otherwise;

(ii) any default in the payment of interest, liquidated damages and/or other amounts owing to a Holder on the Note, as and when the same shall become due and payable, in each case, which such default continues for three (3) Trading Days;

(iii) the Company shall fail to observe or perform any other covenant or agreement contained in this Note (other than a breach by the Company of its obligations to deliver Note Shares to the Holder pursuant to the terms of this Note which breach is addressed in clause (ix) below) which failure is not cured, if possible to cure, within the earlier to occur of (A) five (5) Trading Days after notice of such failure sent by the Holder to the Company and (B) five (5) Trading Days after the Company has become aware or should have become aware of such failure; provided, that any failure to observe or perform any provision of Section 6 shall be an immediate Event of Default hereunder without any grace period;

(iv) a default or event of default (subject to any grace or cure period provided in the applicable agreement, document or instrument) or any material breach or failure to perform any material covenant shall occur under any of the Transaction Documents, which default, breach or failure is not cured, if possible to cure, within 15 Trading Days following notice of failure sent by the Holder to the Company;

(v) any representation or warranty made in this Note or any other Transaction Documents, any written statement pursuant hereto or thereto or any other report, financial statement or certificate made or delivered to the Holder or any other Holder pursuant to the Transaction Documents shall be untrue or incorrect in any material respect as of the date when made or deemed made;

(vi) the Company or any Significant Subsidiary shall be subject to a Bankruptcy Event;

(vii) the Company or any Subsidiary (other than LiveXLive Tickets, Inc. and React Presents, LLC) shall default on any of its obligations under any mortgage, credit agreement or other facility, indenture agreement, factoring agreement or other instrument under which there may be issued, or by which there may be secured or evidenced, any Indebtedness for borrowed money or money due under any long term leasing or factoring arrangement beyond any grace period provided with respect thereto that (a) involves an obligation greater than \$200,000, whether such Indebtedness now exists or shall hereafter be created, and (b) results in such Indebtedness becoming or being declared due and payable prior to the date on which it would otherwise become due and payable;

(viii) (a) the Common Stock shall not be eligible for listing or quotation for trading on a Trading Market and shall not be eligible to resume listing or quotation for trading thereon within five (5) Trading Days, (b) the shares of Common Stock are suspended from trading or otherwise not listed or quoted for trading on a Trading Market for 15 Trading Days or more (which need not be consecutive) during any 12 month period, or (c) the shares of Common Stock are suspended from trading or otherwise not listed or quoted for trading on a Trading Market for five (5) consecutive Trading Days or more; provided, however, that for purposes of this subparagraph (viii), any day on which there is a general suspension of trading on the Principal Market shall be disregarded;

(ix) the Company shall fail for any reason to deliver any Note Shares to Holder on the applicable Delivery Date therefor, subject to a cure period of two (2) Trading Days in each instance;

(x) the Company shall fail to timely file any SEC Report which results in the Company becoming ineligible to file an S-3;

(xi) the electronic transfer by the Company of shares of Common Stock through DTC or another established clearing corporation is no longer available or is subject to a “chill” that lasts for more than five (5) Trading Days;

(xii) a judgment not covered by insurance in excess of \$250,000 is entered against the Company and, within 60 days after entry thereof, such judgment is not discharged or satisfied or execution thereof stayed pending appeal, or within 60 days after the expiration of any such stay, such judgment is not discharged or satisfied;

(xiii) either Robert S. Ellin or the Company shall default in their obligations set forth in that certain Side Letter dated as of even date herewith among the Company, Harvest Small Cap Partners, L.P., Holder and Robert S. Ellin;

(xiv) either (a) Robert S. Ellin, (b) any Person set forth in Footnote 1 to the Beneficial Ownership Table to the Company’s Definitive Proxy Statement dated July 29, 2020 of which Robert S. Ellin is the beneficial owner as of the date hereof (other than any distributions or transfers by Trinad Capital Master Fund Ltd to satisfy its current fund redemption requirements for up to 350,000 shares in aggregate), or (c) any Person who is a beneficial owner (as such term is defined in Section 13d-3 of the Exchange Act) of any other Equity Interests of the Company of which Robert S. Ellin is the beneficial owner as of the date of this Note Disposes of any Equity Interests of the Company, in each case without the express written consent of the Holder (email shall suffice);

(xv) if any provision of the Security Agreement shall at any time for any reason be declared to be null and void, or the validity or enforceability thereof shall be contested by any Debtor (as defined in the Security Agreement), or a proceeding shall be commenced by any Debtor, or by any Governmental Authority having jurisdiction over any Debtor, seeking to establish the invalidity or unenforceability thereof, or any Debtor shall deny that any Debtor has any liability or obligation purported to be created under the Security Agreement; or

(xvi) the Company or any “named executive officer” (within the meaning of Item 402 of Regulation S-K promulgated by the Commission) (i) is indicted for, convicted of or pleads guilty or no contest to a felony, (ii) is found by a Governmental Authority to have engaged in, or becomes subject to an order of a Governmental Authority based on, any violation of law or regulation that prohibits fraudulent, manipulative or deceptive conduct, and/or (iii) becomes the subject of a Proceeding regarding the commission of a felony or any violation of law or regulation that prohibits fraudulent, manipulative or deceptive conduct.

(b) Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the outstanding principal amount of this Note, plus accrued but unpaid interest, liquidated damages and other amounts owing in respect thereof through the date of acceleration, shall become, at the direction of Holder, immediately due and payable in cash; provided, that such acceleration shall be automatic, without any notice or other action of the Holder required, in respect of an Event of Default occurring pursuant to clause (vi), (xiii) or (xiv) of Section 7(a). In connection with such acceleration described herein, the Holder need not provide, and the Company hereby waives, any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such acceleration may be rescinded and annulled by Holder at any time prior to payment in full hereunder and the Holder shall have all rights as a holder of the Note until such time, if any, as the Holder receives full payment pursuant to this Section 7(b). No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

Section 8. Miscellaneous.

(a) Notices. Any and all notices or other communications or deliveries to be provided by the Holder hereunder, shall be in writing and delivered personally, by email attachment, or sent by a nationally recognized overnight courier service, addressed to the Company, at the address set forth above, or such email address, or address as the Company may specify for such purposes by notice to the Holder delivered in accordance with this Section 8(a). Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by email attachment, or sent by a nationally recognized overnight courier service addressed to the Holder at the email address or address of the Holder appearing on the books of the Company, or if no such email attachment or address appears on the books of the Company, at the principal place of business of such Holder, as set forth in the Purchase Agreement. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via email attachment to the email address set forth on the signature pages attached hereto prior to 5:30 p.m. (local time in New York City, New York) (or such later time expressly specified elsewhere in this Note) on any date, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via email attachment to the email address set forth on the signature pages attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (local time in New York City, New York) (or such later time expressly specified elsewhere in this Note) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service or (iv) upon actual receipt by the party to whom such notice is required to be given.

(b) Absolute Obligation. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, liquidated damages and accrued interest, as applicable, on this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct debt obligation of the Company.

(c) Lost or Mutilated Note. If this Note shall be mutilated, lost, stolen or destroyed, the Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note for the principal amount of this Note so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such Note, and of the ownership hereof, reasonably satisfactory to the Company.

(d) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflict of laws thereof. Each party agrees that all legal proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective Affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in the County of New Castle (the “Delaware Courts”). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the Delaware Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such Delaware Courts, or such Delaware Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by applicable law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Note or the transactions contemplated hereby. If any party shall commence an action or proceeding to enforce any provisions of this Note, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorneys’ fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

(e) Amendments; Waivers. Any waiver by the Company or the Holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note. The failure of the Company or the Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Note on any other occasion. Any waiver by the Company or the Holder must be in writing. Any provision of this Note may be waived by the Holder, which waiver shall be binding on Holder and its successors and assigns. Any provision of this Note may be amended by a written instrument executed by the Company and the Holder, which amendment shall be binding on the Holder and its successors and assigns.

(f) Severability. If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the principal of or interest on this Note as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Note, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

(g) Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note and any of the other Transaction Documents at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Note. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the Holder shall be entitled, in addition to all other available remedies, to an injunction restraining any such breach or any such threatened breach, without the necessity of showing economic loss and without any bond or other security being required. The Company shall provide all information and documentation to the Holder that is reasonably requested by the Holder to enable the Holder to confirm the Company's compliance with the terms and conditions of this Note.

(h) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment or obligation shall be made on the next succeeding Business Day.

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

(j) Secured Obligation. The obligations of the Company under this Note are secured by the Collateral pledged by the Company pursuant to the Security Agreement, dated as of the date hereof, between the Debtors and the Holder. For the avoidance of doubt, and notwithstanding anything contained herein to the contrary, subject to Permitted Liens, the Holder shall have the first lien over all Collateral, which will rank higher than any other creditor of the Company or its Subsidiaries, to the extent permitted by law.

(k) Limitation of Liability. Neither Holder nor any Affiliate, officer, director, employee, attorney, or agent of Holder shall have any liability with respect to, and the Company hereby waives, releases, and agrees not to sue any of them upon, any claim for any special, indirect, incidental, or consequential damages suffered or incurred by the Company in connection with, arising out of, or in any way related to, this Note or any of the other Transaction Documents, or any of the transactions contemplated by this Note or any of the other Transaction Documents. The Company hereby waives, releases, and agrees not to sue Holder or any of Holder's Affiliates, officers, directors, employees, attorneys, or agents for punitive damages in respect of any claim in connection with, arising out of, or in any way related to, this Note or any of the other Transaction Documents, or any of the transactions contemplated by this Note or any of the other Transaction Documents. Notwithstanding the foregoing, if Holder is found by a court of competent jurisdiction, pursuant to a final judgment not subject to further appeal, to have engaged in any material violation of the Transaction Documents, any material violation of state or federal securities laws or any other conduct which constitutes fraud, gross negligence willful misconduct or malfeasance ("Bad Boy Conduct"), then nothing in this provision shall be interpreted as waiving any right of the Company to any action based upon any such Bad Boy Conduct.

(l) Withholding Taxes. Any and all payments by or on account of any obligation of the Company under this Note and any other Transaction Documents shall be made without deduction or withholding for any taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of the Company) requires the deduction or withholding of any tax from any such payment by the Company, then the Company shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and the sum payable by the Company to the Holder shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 8(l)) the Holder receives an amount equal to the sum it would have received had no such deduction or withholding been made; provided, however, that no increased or additional payment shall be required or made under this section (i) with respect to U.S. federal withholding taxes imposed on amounts payable to or for the account of the Holder pursuant to a law in effect on the date that the Holder acquired an interest in this Note (withholding tax imposed as a result of future administrative or judicial interpretation of current law), or (ii) with respect to taxes imposed on or measured by net income (including branch profits taxes or franchise taxes) of the Holder. With respect to a Holder as of the date hereof, the Company does not intend to deduct U.S. federal withholding taxes from any payments under this Note and any other Transaction Document under current law. Prior to deducting any withholding tax, the Company shall deliver to the Holder a written notice of its intention to make deduction or withholding for any taxes. In the event that the Company provides such notice, the Holder may elect to receive interest in cash in order to avoid such withholding tax; provided, however, that such an election shall not be available to any transferee or assignee of a Holder (that was a Holder as of the date hereof) and no Holder may transfer or assign an interest in the Note to any other person if any payments made to the transferee or assignee by the Company with respect to the Note or any other Transaction Document would be subject to withholding taxes.

(m) OID. THE FOLLOWING INFORMATION IS SUPPLIED SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES. THIS NOTE WAS ISSUED WITH "ORIGINAL ISSUE DISCOUNT" ("OID") WITHIN THE MEANING OF SECTION 1273 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND THIS LEGEND IS REQUIRED BY SECTION 1275(c) OF THE CODE. HOLDER MAY OBTAIN INFORMATION REGARDING THE AMOUNT OF ANY OID, THE ISSUE PRICE, THE ISSUE DATE, AND THE YIELD TO MATURITY RELATING TO THE NOTE BY CONTACTING THE ISSUER AT LIVEXLIVE MEDIA, INC., 9200 SUNSET BOULEVARD, SUITE 1201, WEST HOLLYWOOD, CA 90069.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties below have caused this Note to be duly executed by a duly authorized officer as of the date first above indicated.

LIVEXLIVE MEDIA, INC.

By: /s/ Robert S. Ellin

Name: Robert S. Ellin

Title: CEO and Chairman

E-mail Address for delivery of Notices:

rob@livexlive.com and tenia@livexlive.com

HARVEST SMALL CAP PARTNERS MASTER, LTD.

By: /s/ Jeff Osher

Name: Jeff Osher

Title: Managing Member

E-mail Address for delivery of Notices:

jeff@nostreetcapital.com

ANNEX A

NOTICE OF CONVERSION

The undersigned hereby elects to convert principal and interest under the 8.5% Secured Note due September 15, 2022 (the “Note”) of LiveXLive Media, Inc., a Delaware corporation (the “Company”), in accordance with Section 4(b) of the Note.

By the delivery of this Notice of Conversion the undersigned represents and warrants to the Company that its ownership of the shares of Common Stock does not exceed the amounts specified under Section 4(i) of this Note, as determined in accordance with Section 13(d) of the Exchange Act.

Conversion calculations:

Conversion Date:

Conversion Price:

Principal Amount of Note to be converted:

Accrued and unpaid interest thereon:

Number of shares to be issued:

Signature:

Name:

Address for Delivery of Holding Statements:

Or

DWAC Instructions:

Broker No: _____

Account No: _____

SUBSIDIARY GUARANTEE

This SUBSIDIARY GUARANTEE, dated as of September 15, 2020 (this “Guarantee”), is made by each of the signatories hereto (together with any other entity that may become a party hereto as provided herein, the “Guarantors”), in favor of the Secured Parties defined below.

W I T N E S E T H:

WHEREAS, pursuant to that certain Securities Purchase Agreement, dated July 2, 2020, as amended by that certain Amendment No. 1 to the Securities Purchase Agreement dated July 30, 2020, by and between LiveXLive Media, Inc., a Delaware corporation (the “Company”) and the Purchaser (as the same may be further amended, restated, supplemented or otherwise modified from time to time, the “Purchase Agreement”), the Company has agreed to sell and issue to Harvest Small Cap Partners, L.P. and Harvest Small Cap Partners Master, Ltd. as the assignee of the Purchaser (collectively, the “Funds”), and the Funds have agreed to purchase from the Company, the Company’s 8.5% Original Issue Discount Secured Notes due September 15, 2022, in the original aggregate principal amount of \$15,000,000 (collectively, the “Note”), subject to the terms and conditions set forth therein; and

WHEREAS, each Guarantor is a direct or indirect Subsidiary of the Company and will directly benefit from the extension of credit to the Company represented by the issuance of the Note; and

NOW, THEREFORE, in consideration of the promises contained in the Purchase Agreement and to carry out the transactions contemplated thereby, each Guarantor hereby agrees as follows:

1. Definitions. Unless otherwise defined herein, terms defined in the Purchase Agreement and used herein shall have the meanings given to them in the Purchase Agreement. The words “hereof”, “herein”, “hereto” and “hereunder” and words of similar import when used in this Guarantee shall refer to this Guarantee as a whole and not to any particular provision of this Guarantee, and Section and Schedule references are to this Guarantee unless otherwise specified. The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms. The following terms shall have the following meanings:

“Guarantee” means this Subsidiary Guarantee, as the same may be amended, supplemented or otherwise modified from time to time.

“Obligations” means, in addition to all other costs and expenses of collection incurred by a Secured Party in enforcing any of such Obligations and/or this Guarantee, all of the liabilities and obligations (primary, secondary, direct, contingent, sole, joint or several) due or to become due, or that are now or may be hereafter contracted or acquired, or owing to, of the Company or any Guarantor to any Secured Party under this Guarantee, the Note and the other Transaction Documents, in each case, whether now or hereafter existing, voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from any of the Secured Parties as a preference, fraudulent transfer or otherwise as such obligations may be amended, supplemented, converted, extended or modified from time to time. Without limiting the generality of the foregoing, the term “Obligations” shall include, without limitation: (i) principal of, and interest on the Note and the loans extended pursuant thereto; (ii) any and all other fees, prepayment charges, indemnities, costs, obligations and liabilities of the Company or any Guarantor from time to time under or in connection with this Guarantee, the Note, and the other Transaction Documents; and (iii) all amounts (including but not limited to post-petition interest) in respect of the foregoing that would be payable but for the fact that the obligations to pay such amounts are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving the Company or any Guarantor.

“Purchaser” means No Street Capital LLC, a Delaware limited liability company, and its successors or assigns.

“Secured Party(ies)” individually and collectively, means Harvest Small Cap Partners, L.P., and/or Harvest Small Cap Partners Master, Ltd., and their respective successors or assigns.

“Senior Lender” shall have the meaning set forth in the Purchase Agreement.

2. Guarantee.

(a) Guarantee.

(i) The Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantee to the Secured Parties and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations.

(ii) Anything herein or in any other Transaction Document to the contrary notwithstanding, the maximum liability of each Guarantor hereunder and under the other Transaction Documents shall in no event exceed the amount which can be guaranteed by such Guarantor under applicable federal and state laws, including laws relating to the insolvency of debtors, fraudulent conveyance or transfer or laws affecting the rights of creditors generally (after giving effect to the right of contribution established in Section 2(b)).

(iii) Each Guarantor agrees that the Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing the guarantee contained in this Section 2 or affecting the rights and remedies of the Secured Parties hereunder.

(iv) The guarantee contained in this Section 2 shall remain in full force and effect until all the Obligations and the obligations of each Guarantor under the guarantee contained in this Section shall have been satisfied by indefeasible payment in full.

(v) No payment made by the Company, any of the Guarantors, any other guarantor or any other Person or received or collected by any Secured Party from the Company, any of the Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce (other than a reduction of the amount owed hereunder, if applicable), release or otherwise affect the liability of any Guarantor hereunder which shall, notwithstanding any such payment (other than any payment made by such Guarantor in respect of the Obligations or any payment received or collected from such Guarantor in respect of the Obligations), remain liable for the Obligations up to the maximum liability of such Guarantor hereunder until the Obligations are indefeasibly paid in full.

(vi) Notwithstanding anything to the contrary in this Guarantee, with respect to any defaulted non-monetary Obligations the specific performance of which by the Guarantors is not reasonably possible (e.g. the issuance of the Company's Common Stock), the Guarantors shall only be liable for making the Secured Parties whole on a monetary basis for the Company's failure to perform such Obligations in accordance with the Transaction Documents.

(b) Right of Contribution. Subject to Section 2(c), each Guarantor hereby agrees that to the extent that a Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder which has not paid its proportionate share of such payment. Each Guarantor's right of contribution shall be subject to the terms and conditions of Section 2(c). The provisions of this Section 2(b) shall in no respect limit the obligations and liabilities of any Guarantor to the Secured Parties and each Guarantor shall remain liable to the Secured Parties for the full amount guaranteed by such Guarantor hereunder.

(c) No Subrogation. Notwithstanding any payment made by any Guarantor hereunder or any set-off or application of funds of any Guarantor by any Secured Party, no Guarantor shall be entitled to be subrogated to any of the rights of any Secured Party against the Company or any other Guarantor or any collateral security or guarantee or right of offset held by any Secured Party for the payment of the Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Company or any other Guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Secured Parties by the Company on account of the Obligations are indefeasibly paid in full. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Obligations shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Secured Parties, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Secured Parties in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Secured Parties, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Secured Parties may determine.

(d) Amendments, Etc. With Respect to the Obligations. Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any of the Obligations made by any Secured Party may be rescinded by any Secured Party and any of the Obligations continued, and the Obligations, or the liability of any other Person upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Secured Parties, and the Purchase Agreement and the other Transaction Documents may be amended, modified, supplemented or terminated, in whole or in part, as the Secured Parties may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Secured Parties for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. The Secured Parties shall have no obligation to protect, secure, perfect or insure any Lien at any time held by the Secured Parties as security for the Obligations or for the guarantee contained in this Section 2 or any property subject thereto.

(e) Guarantee Absolute and Unconditional. Each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Secured Parties upon the guarantee contained in this Section 2 or acceptance of the guarantee contained in this Section 2 the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guarantee contained in this Section 2; and all dealings between the Company and any of the Guarantors, on the one hand, and any Secured Party, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the guarantee contained in this Section 2. Each Guarantor waives, to the extent permitted by law, diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Company or any of the Guarantors with respect to the Obligations. Each Guarantor understands and agrees that the guarantee contained in this Section 2 shall be construed as a continuing, absolute and unconditional guarantee of payment and performance without regard to (a) the validity or enforceability of the Purchase Agreement or any other Transaction Document, any of the Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Secured Parties, (b) any defense, set-off or counterclaim (other than a defense of payment or performance or of fraud by Secured Parties) which may at any time be available to or be asserted by the Company or any other Person against the Secured Party, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Company or such Guarantor) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Company for the Obligations, or of such Guarantor under the guarantee contained in this Section 2, in bankruptcy or in any other instance. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Guarantor, the Secured Parties may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as they may have against the Company, any other Guarantor or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Secured Parties to make any such demand, to pursue such other rights or remedies or to collect any payments from the Company, any other Guarantor or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Company, any other Guarantor or any other Person or any such collateral security, guarantee or right of offset, shall not relieve any Guarantor of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Secured Parties against any Guarantor. For the purposes hereof, "demand" shall include the commencement and continuance of any legal proceedings. For the avoidance of doubt, no Secured Party shall be obligated to file any claim relating to the Obligations in the event that the Company becomes subject to a bankruptcy, reorganization or similar proceeding, and the failure of Secured Parties so to file shall not affect the Guarantors' obligations hereunder.

(f) Reinstatement. The guarantee contained in this Section 2 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the any Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Company or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Company or any Guarantor or any substantial part of its property, or for any other reason otherwise, all as though such payments had not been made.

(g) Payments. Each Guarantor hereby guarantees that payments hereunder will be paid to the Secured Parties without set-off or counterclaim in U.S. dollars at the address set forth or referred to in the Signature Pages to the Purchase Agreement.

3. Representations and Warranties. Each Guarantor hereby makes the following representations and warranties to Secured Parties as of the date hereof:

(a) Organization and Qualification. Such Guarantor is a corporation, partnership or limited liability company, duly organized, validly existing and in good standing under the laws of the applicable jurisdiction set forth on Q, with the requisite corporate, partnership, limited liability company or other power and authority to own and use its properties and assets and to carry on its business as currently conducted. Such Guarantor has no subsidiaries other than those identified as such on the Disclosure Schedules to the Purchase Agreement. Such Guarantor is duly qualified to do business and is in good standing as a foreign corporation, partnership or limited liability company in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not, individually or in the aggregate, (x) adversely affect the legality, validity or enforceability of any of this Guarantee in any material respect, (y) have a material adverse effect on the results of operations, prospects, assets or financial condition of such Guarantor or the Company and its Subsidiaries taken as a whole or (z) adversely impair in any material respect such Guarantor's ability to perform fully on a timely basis its obligations under this Guarantee (a "Material Adverse Effect").

(b) Authorization; Enforcement. Such Guarantor has the requisite corporate, partnership, limited liability company or other power and authority to enter into and to consummate the transactions contemplated by this Guarantee, and otherwise to carry out its obligations hereunder. The execution and delivery of this Guarantee by such Guarantor and the consummation by it of the transactions contemplated hereby have been duly authorized by all requisite corporate, partnership, limited liability company or other action on the part of such Guarantor. This Guarantee has been duly executed and delivered by such Guarantor and constitutes the valid and binding obligation of such Guarantor enforceable against such Guarantor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application.

(c) No Conflicts. Except for the repayment of all obligations to the Senior Lender to be consummated on or prior to the date hereof, the execution, delivery and performance of this Guarantee by such Guarantor and the consummation by such Guarantor of the transactions contemplated thereby do not and will not (i) conflict with or violate any provision of its organizational documents or (ii) conflict with, constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument (evidencing debt or otherwise) to which such Guarantor is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which such Guarantor is subject (including Federal and State securities laws and regulations), or by which any material property or asset of such Guarantor is bound or affected, except in the case of each of clauses (ii) and (iii), such conflicts, defaults, terminations, amendments, accelerations, cancellations and violations as could not, individually or in the aggregate, have or result in a Material Adverse Effect. The business of such Guarantor is not being conducted in violation of any law, ordinance or regulation of any governmental authority, except for violations which, individually or in the aggregate, do not have a Material Adverse Effect.

(d) Consents and Approvals. Except for the repayment of all obligations to the Senior Lender to be consummated on or prior to the date hereof, such Guarantor is not required to obtain any consent, waiver, authorization or order of, or make any filing or registration with, any court or other federal, state, local, foreign or other governmental authority or other person in connection with the execution, delivery and performance by such Guarantor of this Guarantee, except where such failure could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(e) Purchase Agreement. The representations and warranties of the Company set forth in the Purchase Agreement as they relate to such Guarantor, each of which is hereby incorporated herein by reference, are true and correct in all material respects as of each time such representations are deemed to be made pursuant to such Purchase Agreement (without duplication of any materiality qualifiers set forth therein), and the Secured Parties shall be entitled to rely on each of them as if they were fully set forth herein, provided that each reference in each such representation and warranty to the Company's knowledge shall, for the purposes of this Section 3, be deemed to be a reference to such Guarantor's knowledge.

(f) Foreign Law. Each Guarantor has consulted with appropriate foreign legal counsel with respect to any of the above representations for which non-U.S. law is applicable. Such foreign counsel have advised each applicable Guarantor that such counsel knows of no reason why any of the above representations would not be true and accurate. Such foreign counsel were provided with copies of this Guarantee and the other Transaction Documents prior to rendering their advice.

4. Covenants. Each Guarantor covenants and agrees with the Secured Parties that, from and after the date of this Guarantee until the Obligations shall have been indefeasibly paid in full, such Guarantor shall take, and/or shall refrain from taking, as the case may be, each commercially reasonable action that is necessary to be taken or not taken, as the case may be, in order to prevent the occurrence and continuance of an Event of Default (as defined in the Note).

5. Miscellaneous.

(a) Amendments in Writing. None of the terms or provisions of this Guarantee may be waived, amended, supplemented or otherwise modified except in writing by the Secured Parties.

(b) Notices. All notices, requests and demands to or upon the Secured Parties or any Guarantor hereunder shall be effected in the manner provided for in the Purchase Agreement, provided that any such notice, request or demand to or upon any Guarantor shall be addressed to such Guarantor at its notice address set forth on Q.

(c) No Waiver By Course Of Conduct; Cumulative Remedies. The Secured Parties shall not by any act (except by a written instrument pursuant to Section 5(a)), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any default under the Transaction Documents or Event of Default. No failure to exercise, nor any delay in exercising, on the part of the Secured Parties, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Secured Parties of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which any Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

(d) Enforcement Expenses; Indemnification.

(i) Each Guarantor agrees to pay, or reimburse the Secured Parties for, all its costs and expenses incurred in collecting against such Guarantor under the guarantee contained in Section 2 or otherwise enforcing or preserving any rights under this Guarantee and the other Transaction Documents to which such Guarantor is a party, including, without limitation, the reasonable fees and disbursements of counsel to the Secured Parties.

(ii) Each Guarantor agrees to pay, and to save the Secured Parties harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable in connection with any of the transactions contemplated by this Guarantee.

(iii) Each Guarantor agrees to pay, and to save the Secured Parties harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Guarantee to the extent the Company would be required to do so pursuant to the Purchase Agreement.

(iv) The agreements in this Section shall survive repayment of the Obligations and all other amounts payable under the Purchase Agreement and the other Transaction Documents.

(e) Successor and Assigns. This Guarantee shall be binding upon the successors and assigns of each Guarantor and shall inure to the benefit of the Secured Parties and their respective successors and assigns; provided that no Guarantor may assign, transfer or delegate any of its rights or obligations under this Guarantee without the prior written consent of the Secured Parties, and any assignment in violation herewith shall be null and void.

(f) Set-Off. Each Guarantor hereby irrevocably authorizes the Secured Parties at any time and from time to time while an Event of Default under any of the Transaction Documents shall have occurred and be continuing, without notice to such Guarantor or any other Guarantor, any such notice being expressly waived by each Guarantor, to set-off and appropriate and apply any and all deposits, credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by the Secured Parties to or for the credit or the account of such Guarantor, or any part thereof in such amounts as the Secured Parties may elect, against and on account of the obligations and liabilities of such Guarantor to the Secured Parties hereunder and claims of every nature and description of the Secured Parties against such Guarantor, in any currency, whether arising hereunder, under the Purchase Agreement, any other Transaction Document or otherwise, as the Secured Parties may elect, whether or not the Secured Parties have made any demand for payment and although such obligations, liabilities and claims may be contingent or unmatured. The Secured Parties shall notify such Guarantor promptly of any such set-off and the application made by any Secured Party of the proceeds thereof, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Secured Parties under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Secured Parties may have.

(g) Counterparts. This Guarantee may be executed by one or more of the parties to this Guarantee on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

(h) Severability. Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(i) Section Headings. The Section headings used in this Guarantee are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

(j) Integration. This Guarantee and the other Transaction Documents represent the agreement of the Guarantors and the Secured Parties with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Secured Parties relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Transaction Documents.

(k) Governing Laws. All questions concerning the construction, validity, enforcement and interpretation of this Guarantee shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Each of the Company and the Guarantors agree that all proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by this Guarantee (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the County of New Castle, Delaware (the "Delaware Courts"). Each of the Company and the Guarantors hereby irrevocably submits to the exclusive jurisdiction of the Delaware Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Guarantee and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Guarantee or the transactions contemplated hereby.

(l) Acknowledgements. Each Guarantor hereby acknowledges that:

(i) it has been advised by counsel in the negotiation, execution and delivery of this Guarantee and the other Transaction Documents to which it is a party;

(ii) the Secured Parties have no fiduciary relationship with or duty to any Guarantor arising out of or in connection with this Guarantee or any of the other Transaction Documents, and the relationship between the Guarantors, on the one hand, and the Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(iii) no joint venture is created hereby or by the other Transaction Documents or otherwise exists by virtue of the transactions contemplated hereby among the Guarantors and the Secured Parties.

(m) Additional Guarantors. The Company shall cause each of its Domestic Subsidiaries (as defined in the Note) formed or acquired on or subsequent to the date hereof to become a Guarantor for all purposes of this Guarantee by executing and delivering an Assumption Agreement in the form of Annex 1 hereto.

(n) Release of Guarantors. Each Guarantor will be released from all liability hereunder concurrently with the repayment in full of all amounts owed under the Purchase Agreement, the Note and the other Transaction Documents (other than inchoate indemnity or expense obligations as to which no claim has been made).

(Signature Pages Follow)

IN WITNESS WHEREOF, each of the undersigned has caused this Guarantee to be duly executed and delivered as of the date first above written.

SLACKER, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LIVEXLIVE, CORP.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LXL STUDIOS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LXL INFLUENCERS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LIVEXLIVE EVENTS, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Executive Vice President

[signature page continues on the following page]

REACT PRESENTS, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

SPRING AWAKENING, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

SUMMER SET MUSIC AND CAMPING FESTIVAL, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

LIVEXLIVE PODCASTONE, INC.

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Executive Vice President

COURTSIDE GROUP, INC.

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

COURTSIDE, LLC

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

[signature page continues on the following page]

PODCASTONE SALES, LLC

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

KOKO (CAMDEN) HOLDINGS (US), INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: Executive Chairman and President

LIVEXLIVE TICKETS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: Authorized Signatory

SUBSIDIARY GUARANTEE

FORM OF ASSUMPTION AGREEMENT

THIS ASSUMPTION AGREEMENT, dated as of _____, made by _____, a [corporation/limited liability company] (the "Additional Guarantor"), in favor of the Secured Parties pursuant to the Purchase Agreement referred to below. All capitalized terms not defined herein shall have the meaning ascribed to them in such Purchase Agreement.

W I T N E S E T H :

WHEREAS, LiveXLive Media, Inc., a Delaware corporation (the "Company") and the Purchaser have entered into a Securities Purchase Agreement, dated July 2, 2020, as amended by that certain Amendment No. 1 to the Securities Purchase Agreement dated July 30, 2020 (as further amended, supplemented or otherwise modified from time to time, the "Purchase Agreement");

WHEREAS, in connection with the Purchase Agreement, certain Subsidiaries of the Company (other than the Additional Guarantor) have entered into the Subsidiary Guarantee, dated as of September 15, 2020 (as amended, supplemented or otherwise modified from time to time, the "Guarantee") in favor of the Secured Parties;

WHEREAS, the Transaction Documents require the Additional Guarantor to become a party to the Guarantee; and

WHEREAS, the Additional Guarantor has agreed to execute and deliver this Assumption Agreement in order to become a party to the Guarantee.

NOW, THEREFORE, IT IS AGREED:

1. Guarantee. By executing and delivering this Assumption Agreement, the Additional Guarantor, as provided in Section 5(m) of the Guarantee, hereby becomes a party to the Guarantee as a Guarantor thereunder with the same force and effect as if originally named therein as a Guarantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Guarantor thereunder. The information set forth in Annex 1-A hereto is hereby added to the information set forth in 0 to the Guarantee. The Additional Guarantor hereby represents and warrants that each of the representations and warranties contained in Section 3 of the Guarantee is true and correct on and as the date hereof as to such Additional Guarantor (after giving effect to this Assumption Agreement) as if made on and as of such date.

2. Governing Law. THIS ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Assumption Agreement to be duly executed and delivered as of the date first above written.

[ADDITIONAL GUARANTOR]

By: _____
Name: _____
Title: _____

Additional Guarantor Information

The following is the name, notice address and jurisdiction of organization of the Additional Guarantor.

Name of Guarantor	Jurisdiction of Organization	Owned by Percentage	Notice Address

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of September 15, 2020 (as may be amended, restated, supplemented or otherwise modified from time to time, this “Agreement”), is by and among LiveXLive Media, Inc., a Delaware corporation (the “Company”), any Subsidiaries of the Company that now or at any time hereafter agree to guarantee the Company’s obligations under the Note (as defined below) and/or any documents or instruments associated therewith (such Subsidiaries, the “Guarantors” and together with the Company, the “Debtors”), Harvest Small Cap Partners, L.P. and Harvest Small Cap Partners Master, Ltd. as the holders of the Company’s 8.5% Original Issue Discount Secured Notes due September 15, 2022, in the original aggregate principal amount of \$15,000,000 (collectively, the “Note”) that is a signatory hereto, and its endorsees, transferees and assigns (collectively, the “Secured Party”).

W I T N E S S E T H:

WHEREAS, pursuant to the Purchase Agreement (as defined in the Note), the Secured Party has agreed to extend the loans to the Company evidenced by the Note; and

WHEREAS, in order to induce the Secured Party to extend the loans evidenced by the Note, each Debtor has agreed to execute and deliver to the Secured Party this Agreement and to grant Secured Party a security interest in certain property of such Debtor to secure the prompt payment, performance and discharge in full of all of the Company’s obligations under the Note and other Transaction Documents and the Guarantors’ obligations under the Guarantee (as defined below).

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

1. Certain Definitions. As used in this Agreement, the following terms shall have the meanings set forth in this Section 1. Terms used but not otherwise defined in this Agreement that are defined in Article 9 of the UCC (such as “account”, “chattel paper”, “commercial tort claim”, “deposit account”, “document”, “equipment”, “fixtures”, “general intangibles”, “goods”, “instruments”, “inventory”, “investment property”, “letter-of-credit rights”, “proceeds” and “supporting obligations”) shall have the respective meanings given such terms in Article 9 of the UCC. Terms used herein but not otherwise defined in this Agreement or in the UCC shall have the respective meanings given such terms in the Purchase Agreement.

(a) “CFC” means a Person that is a controlled foreign corporation under Section 957 of the Internal Revenue Code of 1986.

(b) “Collateral” means, excluding any Excluded Assets, all personal property of the Debtors, whether presently owned or existing or hereafter acquired or coming into existence, wherever situated, and all additions and accessions thereto and all substitutions and replacements thereof, and all proceeds, products and accounts thereof, including, without limitation, all proceeds from the sale or transfer of the Collateral and of insurance covering the same and of any tort claims in connection therewith, and all dividends, interest, cash, notes, securities, equity interests or other property at any time and from time to time acquired, receivable or otherwise distributed in respect of, or in exchange for, any or all of the Pledged Securities (as defined below):

(i) All goods, including, without limitation, (A) all machinery, equipment, computers, motor vehicles, trucks, tanks, boats, ships, appliances, furniture, special and general tools, fixtures, test and quality control devices and other equipment of every kind and nature and wherever situated, together with all documents of title and documents representing the same, all additions and accessions thereto, replacements therefor, all parts therefor, and all substitutes for any of the foregoing and all other items used and useful in connection with any Debtor’s businesses and all improvements thereto; and (B) all inventory;

(ii) All contract rights and other general intangibles, including, without limitation, all partnership interests, membership interests, stock or other securities, rights under any of the Organizational Documents, agreements related to the Pledged Securities, licenses, distribution and other agreements, computer software (whether “off-the-shelf”, licensed from any third party or developed by any Debtor), computer software development rights, leases, franchises, customer lists, quality control procedures, grants and rights, goodwill, Intellectual Property and income tax refunds;

(iii) All accounts, together with all instruments, all documents of title representing any of the foregoing, all rights in any merchandising, goods, equipment, motor vehicles and trucks which any of the same may represent, and all right, title, security and guaranties with respect to each account, including any right of stoppage in transit;

(iv) All documents, letter-of-credit rights, instruments and chattel paper;

(v) All commercial tort claims;

(vi) All deposit accounts and all cash (whether or not deposited in such deposit accounts), other than (a) payroll accounts, payroll tax accounts or employee wage and benefit accounts, provided that the funds on deposit in such accounts shall at no time exceed the actual payroll, payroll taxes and other employee wage and benefit payments then owing by such Debtor for the immediately succeeding payroll period and (b) deposit and securities accounts (including securities entitlements and related assets) with balances or assets that do not exceed \$250,000; provided, however, that aggregate of all such accounts excluded pursuant to this clause (b) shall not at any time exceed \$1,000,000;

(vii) All investment property;

(viii) All supporting obligations;

(ix) All files, records, books of account, business papers, and computer programs; and

(x) The products and proceeds of all of the foregoing Collateral set forth in clauses (i)-(ix) above.

Without limiting the generality of the foregoing, the “Collateral” shall include all investment property and general intangibles respecting ownership and/or other equity interests in each Guarantor, including, without limitation, the shares of capital stock and the other equity interests listed on Schedule H hereto (as the same may be modified from time to time pursuant to the terms hereof), and any other shares of capital stock and/or other equity interests of any other direct or indirect subsidiary of any Debtor obtained in the future, and, in each case, all certificates representing such shares and/or equity interests and, in each case, all rights, options, warrants, stock, other securities and/or equity interests that may hereafter be received, receivable or distributed in respect of, or exchanged for, any of the foregoing and all rights arising under or in connection with the Pledged Securities, including, but not limited to, all dividends, interest and cash.

Notwithstanding the foregoing, nothing herein shall be deemed to constitute an assignment of any asset which, in the event of an assignment, becomes void by operation of applicable law or the assignment of which is otherwise prohibited by applicable law (in each case to the extent that such applicable law is not overridden by Sections 9-406, 9-407 and/or 9-408 of the UCC or other similar applicable law); provided, however, that to the extent permitted by applicable law and solely to the extent doing so does not void or invalidate such asset, this Agreement shall create a valid security interest in such asset and, to the extent permitted by applicable law, this Agreement shall create a valid security interest in the proceeds of such asset.

(c) “Excluded Assets” means any United States intent-to-use trademark application unless and until an Amendment to Allege Use or a verified Statement of Use is filed and accepted by the United States Patent and Trademark Office with respect to such intent-to-use trademark application.

(d) “FSHCO” means any entity with no material assets or business activities other than ownership of equity interest in one or more CFCs.

(e) “Guarantee” means a subsidiary guarantee in a form acceptable to the Secured Party, under which the Guarantors party thereto jointly and severally agree to guarantee and act as surety for payment of the Note and the other Obligations.

(f) “Intellectual Property” means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, (i) all copyrights arising under the laws of the United States, any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, all registrations, recordings and applications in the United States Copyright Office, (ii) all letters patent of the United States, any other country or any political subdivision thereof, all reissues and extensions thereof, and all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof, (iii) all trademarks, trade names, corporate names, trade dress, service marks, logos, domain names and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common law rights related thereto, (iv) all trade secrets arising under the laws of the United States, any other country or any political subdivision thereof, (v) all rights to obtain any reissues, renewals or extensions of the foregoing, (vi) all licenses for any of the foregoing, and (vii) all causes of action for infringement of the foregoing.

(g) “Necessary Endorsement” means undated stock powers endorsed in blank or other proper instruments of assignment duly executed and such other instruments or documents as the Secured Party may reasonably request.

(h) “Obligations” means all of the liabilities and obligations (primary, secondary, direct, contingent, sole, joint or several) due or to become due, or that are now or may be hereafter contracted or acquired, or owing to, of any Debtor to the Secured Party, including, without limitation, all obligations under this Agreement, the Note, the Guarantee and any other instruments, agreements or other documents executed and/or delivered in connection herewith or therewith, in each case, whether now or hereafter existing, voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from the Secured Party as a preference, fraudulent transfer or otherwise as such obligations may be amended, supplemented, converted, extended or modified from time to time. Without limiting the generality of the foregoing, the term “Obligations” shall include, without limitation: (i) principal of, and interest on the Note and the loans extended pursuant thereto; (ii) any and all other fees, prepayment charges, indemnities, costs, obligations and liabilities of the Debtors from time to time under or in connection with this Agreement, the Note, the Purchase Agreement, the Guarantee and any other instruments, agreements or other documents executed and/or delivered in connection herewith or therewith; and (iii) all amounts (including but not limited to post-petition interest) in respect of the foregoing that would be payable but for the fact that the obligations to pay such amounts are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving any Debtor.

(i) “Organizational Documents” means with respect to any Debtor, the documents by which such Debtor was organized (such as a certificate of incorporation, certificate of limited partnership or articles of organization, and including, without limitation, any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of such Debtor (such as bylaws, a partnership agreement or an operating, limited liability or members agreement).

(j) “Permitted Liens” shall have the meaning ascribed to such term in the Note.

(k) “Pledged Interests” shall have the meaning ascribed to such term in Section 4(j).

(l) “Pledged Securities” shall have the meaning ascribed to such term in Section 4(i).

(m) “UCC” means the Uniform Commercial Code of the State of New York and or any other applicable law of any state or states which has jurisdiction with respect to all, or any portion of, the Collateral or this Agreement, from time to time. It is the intent of the parties that defined terms in the UCC should be construed in their broadest sense so that the term “Collateral” will be construed in its broadest sense. Accordingly if there are, from time to time, changes to defined terms in the UCC that broaden the definitions, they are incorporated herein and if existing definitions in the UCC are broader than the amended definitions, the existing ones shall be controlling.

2. Grant of Security Interest in Collateral. As an inducement for the Secured Party to extend the loans as evidenced by the Note and to secure the complete and timely payment, performance and discharge in full, as the case may be, of all of the Obligations, each Debtor hereby unconditionally and irrevocably pledges, grants and hypothecates to Secured Party, a security interest in and to, a lien upon and a right of set-off against all of their respective right, title and interest of whatsoever kind and nature in and to, the Collateral (a “Security Interest” and, collectively, the “Security Interests”). Notwithstanding anything to the contrary contained herein or in any Transaction Document, in no event shall the Security Interest granted herein or therein attach to any Excluded Asset.

3. Delivery of Certain Collateral. Contemporaneously or prior to the execution of this Agreement, or at any time after the date hereof upon the acquisition or possession by the Debtor, each Debtor shall deliver or cause to be delivered to the Secured Party (a) any and all certificates and other instruments representing or evidencing the Pledged Securities together with appropriate instruments of transfer executed in blank, and (b) any and all certificates and other instruments or documents representing any of the other Collateral (other than checks to be deposited in the ordinary course of business) or which require or permit possession by the Secured Party to perfect its Security Interest therein, with a value in excess of \$100,000 individually or \$500,000 in the aggregate, in each case, to the extent delivery of the Collateral is required for “control” within the meaning of Section 9-104 of the UCC, and in each case, together with all Necessary Endorsements. The Debtors are, contemporaneously with the execution hereof, delivering to Secured Party, or have previously delivered to Secured Party, a true and correct copy of each Organizational Document governing any of the Pledged Securities.

4. Representations, Warranties, Covenants and Agreements of the Debtors. Except as set forth under the corresponding section of the disclosure schedules delivered to the Secured Party concurrently herewith (the “Disclosure Schedules”), which Disclosure Schedules shall be deemed a part hereof, each Debtor represents and warrants on the date hereof to, and covenants and agrees with, the Secured Party as follows:

(a) Each Debtor has the requisite corporate, partnership, limited liability company or other power and authority to enter into this Agreement and otherwise to carry out its obligations hereunder. The execution, delivery and performance by each Debtor of this Agreement and the filings contemplated therein have been duly authorized by all necessary corporate action on the part of such Debtor and no further action is required by such Debtor. This Agreement has been duly executed by each Debtor. This Agreement constitutes the legal, valid and binding obligation of each Debtor, enforceable against each Debtor in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to or affecting the rights and remedies of creditors and by general principles of equity.

(b) The Debtors have no place of business or offices where their respective books of account and records are kept (other than temporarily at the offices of its attorneys or accountants) or places where Collateral is stored or located, except as set forth on Schedule A attached hereto (other than Collateral with a value not exceeding \$100,000 in the aggregate, Collateral in transit between locations, out for repair or refurbishment, or which consists of laptops or other equipment used by an employee of a Debtor in the ordinary course of business). Except as specifically set forth on Schedule A, each Debtor is the record owner of the real property where such Collateral is located, and there exist no mortgages or other liens on any such real property except for Permitted Liens. Except as disclosed on Schedule A, none of such Collateral (other than Collateral with a value not exceeding \$100,000 in the aggregate, Collateral in transit between locations, out for repair or refurbishment) is in the possession of any consignee, bailee, warehouseman, agent or processor.

(c) Except for Permitted Liens and except as set forth on Schedule B attached hereto, the Debtors are the sole owner of the Collateral (except for non-exclusive licenses granted by any Debtor in the ordinary course of business), free and clear of any liens, security interests, encumbrances, rights or claims, and are fully authorized to grant the Security Interests. Except as set forth on Schedule C attached hereto, there is not on file in any governmental or regulatory authority, agency or recording office an effective financing statement, security agreement or transfer or any notice of any of the foregoing (other than those that will be filed in favor of the Secured Party pursuant to this Agreement) covering or affecting any of the Collateral. Except as set forth on Schedule C attached hereto and except pursuant to this Agreement, as long as this Agreement shall be in effect, the Debtors shall not knowingly permit to be on file in any such office or agency any other financing statement or other document or instrument (except (i) in connection with Permitted Liens or (ii) to the extent filed or recorded in favor of the Secured Party pursuant to the terms of this Agreement).

(d) Except as set forth on Schedule D, no written claim has been received that any Collateral or any Debtor's use of any Collateral violates the rights of any third party. To the knowledge of the Debtors, there has been no adverse decision to any Debtor's claim of ownership rights in or exclusive rights to use the Collateral in any jurisdiction or to any Debtor's right to keep and maintain such Collateral in full force and effect, and to the knowledge of the Debtors, there is no proceeding involving said rights pending or, to the knowledge of any Debtor, threatened before any court, judicial body, administrative or regulatory agency, arbitrator or other governmental authority.

(e) Each Debtor shall at all times maintain its books of account and records relating to the Collateral at its principal place of business and its Collateral at the locations set forth on Schedule A attached hereto, except for Collateral with a value not exceeding \$100,000 in the aggregate, Collateral in transit, in temporary possession of an employee, or absent for repair, refurbishment or other bona fide business reason, and may not relocate such books of account and records or tangible Collateral unless it delivers to the Secured Party at least 7 days prior to such relocation (i) written notice of such relocation and the new location thereof (which must be within the United States) and (ii) prior to or contemporaneously therewith takes all actions reasonably requested by the Secured Party to maintain a valid and continuing perfected first priority lien in the Collateral, subject to Permitted Liens.

(f) This Agreement creates in favor of the Secured Party a valid security interest in the Collateral, subject only to Permitted Liens, securing the payment and performance of the Obligations. Upon making the filings described in the immediately following paragraph, all security interests created hereunder in any Collateral which may be perfected by filing Uniform Commercial Code financing statements shall have been duly perfected. Except for the filing of the Uniform Commercial Code financing statements referred to in the immediately following paragraph, the recordation of the Intellectual Property Security Agreement (as defined in Section 4(p) hereof) with respect to copyrights and copyright applications in the United States Copyright Office referred to in paragraph (hh), the execution by all applicable parties and delivery of deposit account control agreements satisfying the requirements of Section 9-104(a)(2) of the UCC with respect to each deposit account of the Debtors, and the delivery of the certificates and other instruments provided in Section 3, no action is necessary on the date hereof to create, perfect or protect the security interests in the Collateral created hereunder. Without limiting the generality of the foregoing, except for the filing of said financing statements, the recordation of said Intellectual Property Security Agreement, and the execution and delivery of said deposit account control agreements, no consent of any third parties and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for (i) the execution, delivery and performance of this Agreement, (ii) the creation or perfection of the Security Interests created hereunder in the Collateral or (iii) the enforcement of the rights of the Secured Party hereunder, except for those consents and approvals which have already been obtained. The Secured Party acknowledges that additional steps may be required to perfect its security interest in assets or other property or Foreign Subsidiaries located outside of the United States, Canada or the European Union.

(g) Each Debtor hereby authorizes the Secured Party to file one or more financing statements (at the expense of the Debtor) under the UCC necessary or reasonably desirable to perfect the Security Interests granted herein, in each case with the proper filing and recording agencies in any jurisdiction deemed proper by it (and such authorization includes describing the Collateral as "all assets" of such Debtor).

(h) The execution, delivery and performance of this Agreement by the Debtors does not (i) violate any of the provisions of any Organizational Documents of any Debtor or any judgment, decree, order or award of any court, governmental body or arbitrator or any applicable law, rule or regulation applicable to any Debtor or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material agreement, credit facility, debt or other instrument (evidencing any Debtor's debt or otherwise). If any, all required consents (including, without limitation, from stockholders or creditors of any Debtor) necessary for any Debtor to enter into and perform its obligations hereunder have been obtained.

(i) The capital stock and other equity interests listed on Schedule H hereto (the “Pledged Securities”) represent all of the capital stock and other equity interests of the Guarantors, and represent all capital stock and other equity interests owned, directly or indirectly, by any Debtor, provided that Pledged Securities shall not include (i) any voting stock of any CFC, (ii) any voting stock of any FSHCO, or (iii) any stock of any subsidiary of a CFC or a FSHCO. All of the Pledged Securities are validly issued, fully paid and nonassessable, and the Company is the legal and beneficial owner of the Pledged Securities, free and clear of any lien, security interest or other encumbrance except for the security interests created by this Agreement and other Permitted Liens. Nothing herein shall limit the Secured Party’s right to a security interest in up to 65% of the voting stock of any CFC or FSHCO pursuant to the terms of the Note in connection with a Permitted Acquisition.

(j) The ownership and other equity interests in partnerships and limited liability companies (if any) included in the Collateral (the “Pledged Interests”) by their express terms do not provide that they are securities governed by Article 8 of the UCC and are not held in a securities account or by any financial intermediary. No Pledged Interest is evidenced or represented by a certificate or otherwise certificated.

(k) Except for Permitted Liens, each Debtor shall at all times take such actions as the Secured Party may reasonably request to maintain the liens and Security Interests provided for hereunder as valid and perfected first priority liens and security interests in the Collateral in favor of the Secured Party, until this Agreement and the Security Interest hereunder shall be terminated pursuant to Section 14 hereof. Each Debtor hereby agrees to defend the same against the claims of any and all persons and entities. Each Debtor shall safeguard and protect all Collateral for the account of the Secured Party. Without limiting the generality of the foregoing, each Debtor shall pay all fees, taxes and other amounts necessary to maintain the Collateral and the Security Interests hereunder (other than those fees and taxes that are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided in accordance with GAAP), and each Debtor shall obtain and furnish to the Secured Party from time to time, upon demand, such releases and/or subordinations of claims and liens which may be required to maintain the priority of the Security Interests hereunder.

(l) No Debtor will transfer, pledge, hypothecate, encumber, license, sell or otherwise dispose of any of the Collateral (except for non-exclusive licenses granted by a Debtor in its ordinary course of business and sales of inventory or obsolete or worn-out items by a Debtor in its ordinary course of business and otherwise in accordance with the terms of the Note) without the prior written consent of the Secured Party.

(m) Each Debtor shall keep and preserve its equipment, inventory and other tangible Collateral in good condition, repair and order (except for normal wear and tear and Collateral that has become obsolete in the business judgment of the applicable Debtor) and shall not operate or locate any such Collateral (or cause to be operated or located) in any area excluded from insurance coverage.

(n) Each Debtor shall maintain with financially sound and reputable insurers, insurance with respect to the Collateral, including Collateral hereafter acquired, against loss or damage of the kinds and in the amounts customarily insured against by entities of established reputation having similar properties similarly situated and in such amounts as are customarily carried under similar circumstances by other such entities and otherwise as is prudent for entities engaged in similar businesses. Each Debtor shall cause each insurance policy issued in connection herewith to provide, and shall provide evidence reasonably satisfactory to the Secured Party in its sole discretion demonstrating, that (a) the Secured Party will be named as lender loss payee and additional insured under each such insurance policy; (b) if such insurance be proposed to be cancelled or materially changed for any reason whatsoever, such insurer will promptly notify the Secured Party and such cancellation or change shall not be effective as to the Secured Party for at least 30 days after receipt by the Secured Party of such notice, unless the effect of such change is to extend or increase coverage under the policy; and (c) the Secured Party will have the right (but no obligation) at its election to remedy any default in the payment of premiums within 30 days of notice from the insurer of such default. If no Event of Default (as defined in the Note) exists and if the proceeds arising out of any claim or series of related claims do not exceed \$100,000, loss payments in each instance will be applied by the applicable Debtor to the repair and/or replacement of property with respect to which the loss was incurred to the extent reasonably feasible, and any loss payments or the balance thereof remaining, to the extent not so applied, shall be payable to the applicable Debtor; provided, however, that payments received by any Debtor after an Event of Default occurs and is continuing or in excess of \$100,000 for any occurrence or series of related occurrences shall be paid to Secured Party and, if received by such Debtor, shall be held in trust for the Secured Party and immediately paid over to Secured Party unless otherwise directed in writing by Secured Party. Copies of such policies or the related certificates, in each case, naming Secured Party as lender loss payee and additional insured shall be delivered to Secured Party at least annually and at the time any new policy of insurance is issued.

(o) Each Debtor shall, within 10 days of obtaining knowledge thereof, advise the Secured Party promptly, in sufficient detail, of any material adverse change in the Collateral, and of the occurrence of any event which would have a material adverse effect on the value of the Collateral or on the Secured Party's security interest therein.

(p) Each Debtor shall promptly execute and deliver to the Secured Party such further deeds, mortgages, assignments, security agreements, financing statements or other instruments, documents, certificates and assurances and take such further action as the Secured Party may from time to time request and may in its sole discretion deem necessary to perfect, protect or enforce the Secured Party's security interest in the Collateral including, without limitation, if applicable, the execution and delivery of a separate security agreement with respect to each Debtor's Intellectual Property ("Intellectual Property Security Agreement") in which the Secured Party has been granted a security interest hereunder, substantially in a form reasonably acceptable to the Secured Party, which Intellectual Property Security Agreement, other than as stated therein, shall be subject to all of the terms and conditions hereof. Each Debtor hereby further authorizes the Secured Party to file with the United States Patent and Trademark Office and the United States Copyright Office (and any successor office and any similar office in any United States state or other country) this Agreement, the Intellectual Property Security Agreement, and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by such Debtor hereunder, without the signature of such Debtor where permitted by law, and naming such Debtor as debtor, and the Secured Party as secured party.

(q) Each Debtor shall permit the Secured Party and its representatives and agents to inspect the Collateral during normal business hours and upon reasonable prior notice, and to make copies of records pertaining to the Collateral as may be reasonably requested by the Secured Party from time to time.

(r) Each Debtor shall take all steps reasonably necessary to diligently pursue and seek to preserve, enforce and collect any material rights, claims, causes of action (to the extent that such Debtor determines in its commercially reasonable discretion that the pursuit of such right, claim or cause of action is beneficial to such Debtor) and accounts receivable in respect of the Collateral.

(s) Each Debtor shall promptly notify the Secured Party in sufficient detail upon becoming aware of any attachment, garnishment, execution or other legal process levied against a material portion of the Collateral and of any other information received by such Debtor that may materially affect the value of the Collateral, the Security Interest or the rights and remedies of the Secured Party hereunder.

(t) All information heretofore, herein or hereafter supplied to the Secured Party by or on behalf of any Debtor with respect to the Collateral is accurate and complete in all material respects as of the date furnished.

(u) Each Debtor was organized and remains organized solely under the laws of the state set forth next to such Debtor's name in Schedule D attached hereto, which Schedule D sets forth each Debtor's actual legal name and organizational identification number or, if any Debtor does not have an organizational identification number, states that one does not exist. The Debtors shall at all times preserve and keep in full force and effect their respective valid existence and good standing and any licenses, franchises or similar rights material to its business. No Debtor will (i) change its name, type of organization, jurisdiction of organization, organizational identification number (if it has one), legal or corporate structure, or identity, (ii) add any new fictitious name or D/B/A or (iii) relocate its chief executive office to a new location unless it provides at least 15 days prior written notice to the Secured Party of such change. At the time of such written notification or contemporaneously with such relocation, such Debtor shall take any further action requested by the Secured Party reasonably necessary to perfect and continue the perfection of the Security Interests granted and evidenced by this Agreement.

(v) Except in the ordinary course of business, no Debtor may consign any of its inventory or sell any of its inventory on bill and hold, sale or return, sale on approval, or other conditional terms of sale without the consent of the Secured Party which shall not be unreasonably withheld.

(w) (i) no Debtor has any trade names except as set forth on Schedule E attached hereto; (ii) no Debtor has used any name other than that stated in the preamble hereto or as set forth on Schedule E for the preceding five years; and (iii) no entity has merged into any Debtor or been acquired by any Debtor within the past five years except as set forth on Schedule E.

(x) Each Debtor, in its capacity as issuer, hereby agrees to comply with any and all orders and instructions of Secured Party regarding the Pledged Interests consistent with the terms of this Agreement without the further consent of any Debtor as contemplated by Section 8-106 (or any successor section) of the UCC. Further, each Debtor agrees that it shall not enter into a similar agreement with respect to the Pledged Interests (or one that would confer "control" within the meaning of Article 8 of the UCC) with any other person or entity.

(y) Each Debtor shall promptly inform the Secured Party of the acquisition of any chattel paper and upon the Secured Party's reasonable request, each Debtor shall cause all tangible chattel paper constituting Collateral to be delivered to the Secured Party, or, if such delivery is not possible, then to cause such tangible chattel paper to contain a legend noting that it is subject to the security interest created by this Agreement. To the extent that any Collateral consists of electronic chattel paper, the applicable Debtor shall cause the underlying chattel paper to be marked and maintained in accordance with Section 9-105 of the UCC (or successor section thereto).

(z) If there is any investment property or deposit account included as Collateral that can be perfected by "control" through a deposit account control agreement, the applicable Debtor shall cause such a deposit account control agreement, in form and substance in each case satisfactory to the Secured Party, to be entered into in accordance with the terms of the Note.

(aa) To the extent that any Collateral consists of letter-of-credit rights, the applicable Debtor shall cause the issuer of each underlying letter of credit to consent to an assignment of the proceeds thereof to the Secured Party.

(bb) To the extent that any Collateral is in the possession of any third party (other than Collateral with a value not exceeding \$100,000 in the aggregate, Collateral in transit, in possession of an officer or employee, in possession of a third party for repair, refurbishment or other bona fide business reason), the applicable Debtor shall join with Secured Party in notifying such third party of the Secured Party's security interest in such Collateral and shall use its best efforts to obtain an acknowledgement and agreement from such third party with respect to the Collateral, in form and substance reasonably satisfactory to Secured Party.

(cc) If any Debtor shall at any time hold or acquire a commercial tort claim in an amount reasonably likely to be in excess of \$100,000, such Debtor shall promptly notify the Secured Party in a writing signed by such Debtor of the particulars thereof and grant to Secured Party, in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Secured Party.

(dd) Following the date hereof, each Debtor shall cause each new subsidiary of such Debtor to become a party hereto (an “Additional Debtor”) within 10 days of the acquisition or formation of such new subsidiary (or such later date as may be approved by the Secured Party) by executing and delivering an Additional Debtor Joinder in substantially the form of Annex A attached hereto. Concurrent therewith, the Additional Debtor shall deliver replacement schedules for, or supplements to all other Schedules to (or referred to in) this Agreement, as applicable, which replacement schedules shall supersede, or supplements shall modify, the Schedules then in effect. The Additional Debtor shall also deliver such opinions of counsel, authorizing resolutions, good standing certificates, incumbency certificates, organizational documents and other information and documentation as the Secured Party may reasonably request. Upon delivery of the foregoing to the Secured Party, the Additional Debtor shall be and become a party to this Agreement with the same rights and obligations as the Debtors, for all purposes hereof as fully and to the same extent as if it were an original signatory hereto and shall be deemed to have made the representations, warranties and covenants set forth herein as of the date of execution and delivery of such Additional Debtor Joinder, and all references herein to the “Debtors” shall be deemed to include each Additional Debtor.

(ee) Each Debtor shall be entitled to exercise all voting and/or consensual rights and powers inuring to an owner of the Pledged Securities and any part thereof for all purposes not inconsistent with the terms of this Agreement or any other Transaction Document.

(ff) Each Debtor shall register the pledge of the applicable Pledged Securities on the books of such Debtor. Each Debtor shall notify each issuer of Pledged Securities to register the pledge of the applicable Pledged Securities in the name of the Secured Party on the books of such issuer. Further, except with respect to certificated securities delivered to the Secured Party, the applicable Debtor shall deliver to Secured Party an acknowledgement of pledge (which, where appropriate, shall comply with the requirements of the relevant UCC with respect to perfection by registration) signed by the issuer of the applicable Pledged Securities, which acknowledgement shall confirm that: (a) it has registered the pledge on its books and records; and (b) at any time directed by Secured Party during the continuation of an Event of Default, such issuer will transfer the record ownership of such Pledged Securities into the name of any designee of Secured Party, will take such steps as may be necessary to effect the transfer, and will comply with all other instructions of Secured Party regarding such Pledged Securities without the further consent of the applicable Debtor.

(gg) In the event that, upon an occurrence and during the continuation of an Event of Default, Secured Party shall sell all or any of the Pledged Securities to another party or parties (herein called the “Transferee”) or shall purchase or retain all or any of the Pledged Securities, each Debtor shall, to the extent applicable: (i) deliver to Secured Party or the Transferee, as the case may be, the articles of incorporation, bylaws, minute books, stock certificate books, corporate seals, deeds, leases, indentures, agreements, evidences of indebtedness, books of account, financial records and all other Organizational Documents and records of the Debtors and their direct and indirect subsidiaries; (ii) use its best efforts to obtain resignations of the persons then serving as officers and directors of the Debtors and their direct and indirect subsidiaries, if so requested; and (iii) use its best efforts to obtain any approvals that are required by any governmental or regulatory body in order to permit the sale of the Pledged Securities to the Transferee or the purchase or retention of the Pledged Securities by Secured Party and allow the Transferee or Secured Party to continue the business of the Debtors and their direct and indirect subsidiaries.

(hh) Without limiting the generality of the other obligations of the Debtors hereunder, each Debtor shall promptly (i) provide any requested documents and information and carry out any actions reasonably requested in connection with recording of the security interest contemplated hereby with respect to all Intellectual Property at the United States Copyright Office or United States Patent and Trademark Office, and (ii) give the Secured Party notice whenever it acquires (whether absolutely or by exclusive license) or creates any additional material Intellectual Property that is subject to an application or registration at the United States Patent and Trademark Office or the United States Copyright Office.

(ii) Each Debtor will from time to time, at the joint and several expense of the Debtors, promptly execute and deliver all such further instruments and documents, and take all such further action as may be necessary or reasonably desirable, or as the Secured Party may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce the rights and remedies hereunder and with respect to any Collateral or to otherwise carry out the purposes of this Agreement.

(jj) As of the date hereof, Schedule F attached hereto lists all of the patents, patent applications, trademarks, trademark applications, registered copyrights, and domain names owned by any of the Debtors as of the date hereof. As of the date hereof, Schedule F lists all material licenses in favor of any Debtor for the use of any patents, trademarks, copyrights and domain names as of the date hereof. All material patents of the Debtors have been duly recorded at the United States Patent and Trademark Office.

(kk) As of the date hereof, except as set forth on Schedule G attached hereto, none of the account debtors or other persons or entities obligated on any of the Collateral is a governmental authority covered by the Federal Assignment of Claims Act or any similar federal, state or local statute or rule in respect of such Collateral. Each Debtor shall promptly provide written notice to the Secured Party of any and all accounts which arise out of contracts with any governmental authority and, to the extent necessary to perfect or continue the perfected status of the Security Interests in such accounts and proceeds thereof, shall execute and deliver to the Secured Party an assignment of claims for such accounts and cooperate with the Secured Party in taking any other steps required, in its reasonable judgment, under the Federal Assignment of Claims Act or any similar federal, state or local statute or rule to perfect or continue the perfected status of the Security Interests in such accounts and proceeds thereof.

(ll) Until the Obligations shall have been paid in full, each Debtor covenants that it shall promptly, in no event later than 10 days following the formation or acquisition thereof (or such later date as may be approved by the Secured Party), direct any direct or indirect subsidiary of such Debtor formed or acquired after the date hereof enter into a subsidiary guarantee acceptable to Secured Party in form and substance.

5. Effect of Pledge on Certain Rights. If any of the Collateral subject to this Agreement consists of nonvoting equity or ownership interests (regardless of class, designation, preference or rights) that may be converted into voting equity or ownership interests upon the occurrence of certain events (including, without limitation, upon the transfer of all or any of the other stock or assets of the issuer), it is agreed that the pledge of such equity or ownership interests pursuant to this Agreement or the enforcement of any of Secured Party's rights hereunder shall not be deemed to be the type of event which would trigger such conversion rights notwithstanding any provisions in the Organizational Documents or agreements to which any Debtor is subject or to which any Debtor is party.

6. Defaults. The following events shall be "Events of Default" under this Agreement:

(a) The occurrence of an Event of Default (as defined in the Note) under the Note; and

(b) The failure by any Debtor to observe or perform any of its covenants or agreements contained in this Agreement, which failure is not cured, if possible to cure, within 10 days following notice of failure sent by Secured Party to the Company.

7. Duty To Hold In Trust.

(a) Upon the occurrence and during the continuation of any Event of Default, and upon receipt of written notice from the Secured Party, each Debtor shall, upon receipt of any revenue, income, dividend, interest or other sums subject to the Security Interests, whether payable pursuant to the Note or otherwise, or of any check, draft, note, trade acceptance or other instrument evidencing an obligation to pay any such sum, hold the same in trust for the Secured Party and shall promptly endorse and transfer any such sums or instruments, or both, to the Secured Party.

(b) If any Debtor shall become entitled to receive or shall receive any securities or other property (including, without limitation, shares of Pledged Securities or instruments representing Pledged Securities acquired after the date hereof, or any options, warrants, rights or other similar property or certificates representing a dividend, or any distribution in connection with any recapitalization, reclassification or increase or reduction of capital, or issued in connection with any reorganization of such Debtor or any of its direct or indirect subsidiaries) in respect of the Pledged Securities (whether as an addition to, in substitution of, or in exchange for, such Pledged Securities or otherwise), such Debtor agrees to (i) accept the same as the agent of the Secured Party; (ii) hold the same in trust for the Secured Party; and (iii) to deliver any and all certificates or instruments evidencing the same to Secured Party on or before the close of business on the fifth Business Day following the receipt thereof by such Debtor, in the exact form received together with the Necessary Endorsements, to be held by Secured Party subject to the terms of this Agreement as Collateral.

8. Rights and Remedies Upon Default.

(a) Upon the occurrence and during the continuation of any Event of Default, the Secured Party shall have the right to exercise all of the remedies conferred hereunder and under the Note, and the Secured Party shall have all the rights and remedies of a secured party under the UCC. Without limitation, the Secured Party shall have the following rights and powers:

(i) The Secured Party shall have the right to take possession of the Collateral and, for that purpose, enter, with the aid and assistance of any person, any premises where the Collateral, or any part thereof, is or may be placed and remove the same, and each Debtor shall assemble the Collateral and make it available to the Secured Party at places which the Secured Party shall reasonably select, whether at such Debtor's premises or elsewhere, and make available to the Secured Party, without rent, all of such Debtor's respective premises and facilities for the purpose of the Secured Party taking possession of, removing or putting the Collateral in saleable or disposable form.

(ii) Upon notice to the Debtors by Secured Party, all rights of each Debtor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise and all rights of each Debtor to receive the dividends and interest which it would otherwise be authorized to receive and retain, shall cease. Upon such notice, the Secured Party shall have the right to receive any interest, cash dividends or other payments on the Collateral and, at the option of the Secured Party, to exercise in such the Secured Party's discretion all voting rights pertaining thereto. Without limiting the generality of the foregoing, Secured Party shall have the right (but not the obligation) to exercise all rights with respect to the Collateral as if it were the sole and absolute owner thereof, including, without limitation, to vote and/or to exchange, at its sole discretion, any or all of the Collateral in connection with a merger, reorganization, consolidation, recapitalization or other readjustment concerning or involving the Collateral or any Debtor or any of its direct or indirect subsidiaries.

(iii) The Secured Party shall have the right to operate the business of each Debtor using the Collateral and shall have the right to assign, sell, lease or otherwise dispose of and deliver all or any part of the Collateral, at public or private sale or otherwise, either with or without special conditions or stipulations, for cash or on credit or for future delivery, in such parcel or parcels and at such time or times and at such place or places, and upon such terms and conditions as the Secured Party may deem commercially reasonable, all without (except as shall be required by applicable statute and cannot be waived) advertisement or demand upon or notice to any Debtor or right of redemption of a Debtor, which are hereby expressly waived. Upon each such sale, lease, assignment or other transfer of Collateral, the Secured Party may, unless prohibited by applicable law which cannot be waived, purchase all or any part of the Collateral being sold, free from and discharged of all trusts, claims, right of redemption and equities of any Debtor, which are hereby waived and released. The Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(iv) The Secured Party shall have the right (but not the obligation) to notify any account debtors and any obligors under instruments or accounts to make payments directly to the Secured Party and to enforce the Debtors' rights against such account debtors and obligors.

(v) The Secured Party may (but is not obligated to) direct any financial intermediary or any other person or entity holding any investment property to transfer the same to the Secured Party, or its designee.

(vi) The Secured Party may (but is not obligated to) transfer any or all Intellectual Property pledged as Collateral and registered in the name of any Debtor at the United States Patent and Trademark Office and/or Copyright Office into the name of the Secured Party or any designee or any purchaser of any Collateral.

(b) The Secured Party shall comply with any applicable law in connection with a disposition of Collateral and such compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. The Secured Party may sell the Collateral without giving any warranties and may specifically disclaim such warranties. If the Secured Party sells any of the Collateral on credit, the Debtors will only be credited with payments actually made by the purchaser. In addition, each Debtor waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Secured Party's rights and remedies hereunder, including, without limitation, its right following an Event of Default to take immediate possession of the Collateral and to exercise its rights and remedies with respect thereto.

(c) For the purpose of enabling the Secured Party to further exercise rights and remedies under this Section 8 or elsewhere provided by agreement or applicable law, each Debtor hereby grants to the Secured Party a nonexclusive license (exercisable without payment of royalty or other compensation to such Debtor, such license to be irrevocable during the term hereof) to use, license or sublicense, in all cases solely following the occurrence and during the continuation of an Event of Default, any Intellectual Property included among the Collateral, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof.

9. Applications of Proceeds. The proceeds of any such sale, lease or other disposition of the Collateral hereunder or from payments made on account of any insurance policy insuring any portion of the Collateral shall be applied first, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like (including, without limitation, any taxes, fees and other costs incurred in connection therewith) of the Collateral, to the reasonable, actual and documented attorneys' fees and out-of-pocket expenses incurred by the Secured Party in enforcing its rights hereunder and in connection with collecting, storing and disposing of the Collateral, and then to satisfaction of the Obligations and to the payment of any other amounts required by applicable law, after which the Secured Party shall pay to the applicable Debtor any surplus proceeds. If, upon the sale, license or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which the Secured Party is legally entitled, the Debtors will be liable for the deficiency, together with interest thereon, at the Applicable Interest Rate, and the reasonable fees of any attorneys employed by the Secured Party to collect such deficiency. To the extent permitted by applicable law, each Debtor waives all claims, damages and demands against the Secured Party arising out of the repossession, removal, retention or sale of the Collateral, unless due solely to the gross negligence or willful misconduct of the Secured Party as determined by a final judgment (not subject to further appeal) of a court of competent jurisdiction.

10. Securities Law Provision. Each Debtor recognizes that Secured Party may be limited in its ability to effect a sale to the public of all or part of the Pledged Securities by reason of certain prohibitions in the Securities Act of 1933, as amended, or other federal or state securities laws (collectively, the “Securities Laws”), and may be compelled to resort to one or more sales to a restricted group of purchasers who may be required to agree to acquire the Pledged Securities for their own account, for investment and not with a view to the distribution or resale thereof. Each Debtor agrees that sales so made may be at prices and on terms less favorable than if the Pledged Securities were sold to the public, and that Secured Party has no obligation to delay the sale of any Pledged Securities for the period of time necessary to register the Pledged Securities for sale to the public under the Securities Laws. Each Debtor shall cooperate with Secured Party in its attempt to satisfy any requirements under the Securities Laws (including, without limitation, registration thereunder if requested by Secured Party) applicable to the sale of the Pledged Securities by Secured Party.

11. Costs and Expenses. The Debtors shall pay all other claims and charges which in the reasonable opinion of the Secured Party is reasonably likely to prejudice, imperil or otherwise affect the Collateral or the Security Interests therein. The Debtors will also, upon demand, pay to the Secured Party the amount of any and all reasonable expenses, including the reasonable, actual and documented fees and out-of-pocket expenses of its legal counsel and of any experts and agents, which the Secured Party may incur in connection with the protection, satisfaction, foreclosure, collection or enforcement of the Security Interest and the administration, continuance, amendment or enforcement of this Agreement and pay to the Secured Party the amount of any and all reasonable expenses, including the reasonable, actual and documented fees and out-of-pocket expenses of its counsel and of any experts and agents, which the Secured Party may incur in connection with (i) the enforcement of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral, or (iii) the exercise or enforcement of any of the rights of the Secured Party under the Note. Any invoiced fees due and payable hereunder shall be added to the principal amount of the Note and shall bear interest at the Applicable Interest Rate.

12. Responsibility for Collateral. The Debtors assume all liabilities and responsibility in connection with all Collateral, and the Obligations shall in no way be affected or diminished by reason of the loss, destruction, damage or theft of any of the Collateral or its unavailability for any reason. Without limiting the generality of the foregoing, (a) Secured Party does not (i) have any duty (either before or after an Event of Default) to collect any amounts in respect of the Collateral or to preserve any rights relating to the Collateral, or (ii) have any obligation to clean-up or otherwise prepare the Collateral for sale, and (b) each Debtor shall remain obligated and liable under each contract or agreement included in the Collateral to be observed or performed by such Debtor thereunder. Secured Party shall not have any obligation or liability under any such contract or agreement by reason of or arising out of this Agreement or the receipt by Secured Party of any payment relating to any of the Collateral, nor shall Secured Party be obligated in any manner to perform any of the obligations of any Debtor under or pursuant to any such contract or agreement, to make inquiry as to the nature or sufficiency of any payment received by Secured Party in respect of the Collateral or as to the sufficiency of any performance by any party under any such contract or agreement, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to the Secured Party or to which the Party may be entitled at any time or times.

13. **Security Interests Absolute.** All rights of the Secured Party and all obligations of the Debtors hereunder, shall be absolute and unconditional, irrespective of: (a) any lack of validity or enforceability of this Agreement, the Note or any agreement entered into in connection with the foregoing, or any portion hereof or thereof; (b) any change in the time, manner or place of payment or performance of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Note or any other agreement entered into in connection with the foregoing; (c) any exchange, release or nonperfection of any of the Collateral, or any release or amendment or waiver of or consent to departure from any other collateral for, or any guarantee, or any other security, for all or any of the Obligations; (d) any action by the Secured Party to obtain, adjust, settle and cancel in their sole discretion any insurance claims or matters made or arising in connection with the Collateral; or (e) any other circumstance which might otherwise constitute any legal or equitable defense available to a Debtor, or a discharge of all or any part of the Security Interests granted hereby. Until the Obligations shall have been paid in full, the rights of the Secured Party shall continue even if the Obligations are barred for any reason, including, without limitation, the running of the statute of limitations or bankruptcy of a Debtor or any other person liable for any Obligations. Each Debtor expressly waives presentment, protest, notice of protest, demand, notice of nonpayment and demand for performance. In the event that at any time any transfer of any Collateral or any payment received by the Secured Party hereunder shall be deemed by final order of a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under the bankruptcy or insolvency laws of the United States, or shall be deemed to be otherwise due to any party other than the Secured Party, then, in any such event, each Debtor's obligations hereunder shall survive cancellation of this Agreement, and shall not be discharged or satisfied by any prior payment thereof and/or cancellation of this Agreement, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof. Each Debtor waives all right to require the Secured Party to proceed against any other person or entity or to apply any Collateral which the Secured Party may hold at any time, or to marshal assets, or to pursue any other remedy. Each Debtor waives any defense arising by reason of the application of the statute of limitations to any obligation secured hereby.

14. **Term of Agreement.** This Agreement and the Security Interests shall terminate on the date on which all payments under the Note have been paid in full and all other Obligations (other than inchoate indemnity and expense obligations as to which no claim has been made) have been paid or discharged; provided, however, that all indemnities of the Debtors contained in this Agreement shall survive and remain operative and in full force and effect regardless of the termination of this Agreement.

15. Power of Attorney; Further Assurances.

(a) Each Debtor authorizes the Secured Party, and does hereby make, constitute and appoint the Secured Party and its officers, agents, successors or assigns with full power of substitution, as such Debtor's true and lawful attorney-in-fact, with power, in the name of the Secured Party or such Debtor, to, after the occurrence and during the continuance of an Event of Default, (i) endorse any note, checks, drafts, money orders or other instruments of payment (including payments payable under or in respect of any policy of insurance) in respect of the Collateral that may come into possession of the Secured Party; (ii) to sign and endorse any invoice, freight or express bill, bill of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with accounts, and other documents relating to the Collateral; (iii) to pay or discharge taxes, liens, security interests or other encumbrances at any time levied or placed on or threatened against the Collateral; (iv) to demand, collect, receipt for, compromise, settle and sue for monies due in respect of the Collateral; (v) to transfer any Intellectual Property pledged as Collateral or provide licenses respecting any Intellectual Property pledged as Collateral; and (vi) generally, at the option of the Secured Party, and at the expense of the Debtors, at any time, or from time to time, to execute and deliver any and all documents and instruments and to do all acts and things which the Secured Party deems necessary to protect, preserve and realize upon the Collateral and the Security Interests granted therein in order to effect the intent of this Agreement and the Note all as fully and effectually as the Debtors might or could do, and each Debtor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for the term of this Agreement and thereafter as long as any of the Obligations shall be outstanding. The designation set forth herein shall be deemed to amend and supersede any inconsistent provision in the Organizational Documents or other documents or agreements to which any Debtor is subject or to which any Debtor is a party. Without limiting the generality of the foregoing, after the occurrence and during the continuance of an Event of Default, the Secured Party is specifically authorized to execute and file any applications for or instruments of transfer and assignment of any patents, trademarks, copyrights or other Intellectual Property pledged as Collateral with the United States Patent and Trademark Office and the United States Copyright Office.

(b) On a continuing basis, each Debtor will take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by the Secured Party, to perfect the Security Interests granted hereunder and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to the Secured Party the grant or perfection of a perfected security interest in all the Collateral under the UCC.

16. **Notices.** All notices, requests, demands and other communications hereunder shall be subject to the notice provision of the Purchase Agreement and sent to the address of the Secured Party and Company set forth therein.

17. **Other Security.** To the extent that the Obligations are now or hereafter secured by property other than the Collateral or by the guarantee, endorsement or property of any other person, firm, corporation or other entity, then the Secured Party shall have the right, in its sole discretion, to pursue, relinquish, subordinate, modify or take any other action with respect thereto, without in any way modifying or affecting any of the Secured Party's rights and remedies hereunder.

18. Intentionally Omitted.

19. Termination of Security Interests; Release of Collateral.

(a) Upon termination of this Agreement in accordance with Section 14 hereof (other than contingent indemnification obligations), the Security Interests shall automatically terminate and all rights to the Collateral shall automatically revert to the Debtors. Upon any such termination of the Security Interests or release of such Collateral, the Secured Party will, at the expense of the Debtors, execute and deliver to the Debtors such documents as the Debtors shall reasonably request, but without recourse or warranty to the Secured Party, including but not limited to written authorization to file termination statements to evidence the termination of the Security Interests in such Collateral.

(b) The Secured Party hereby agrees that the Security Interests held on any Collateral constituting property being sold, transferred or disposed of in a disposition permitted hereunder or under the Note shall automatically be released upon such sale, transfer or disposal permitted hereunder or under the Note. Upon any such termination of the Security Interests or release of such Collateral, the Secured Party will, at the expense of the Debtors, execute and delivery to the Company such documents as the Debtors shall reasonably request, but without recourse or warranty to the Secured Party, including but not limited to written authorization to file termination statements to evidence the termination of the Security Interests in such Collateral.

20. Miscellaneous.

(a) No course of dealing between the Debtors and the Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right, power or privilege hereunder or under the Note shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) All of the rights and remedies of the Secured Party with respect to the Collateral, whether established hereby or by the Note or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

(c) This Agreement, together with the exhibits and schedules hereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into this Agreement and the exhibits and schedules hereto. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Debtors and the Secured Party, or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought.

(d) If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(e) No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

(f) This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company and the Guarantors may not assign this Agreement or any rights or obligations hereunder without the prior written consent of Secured Party and any assignment in contravention herewith shall be null and void. Secured Party may assign any or all of its rights under this Agreement to any Person to whom Secured Party assigns or transfers any Obligations, provided such transferee agrees in writing to be bound, with respect to the transferred Obligations, by the provisions of this Agreement that apply to the "Secured Party".

(g) Each party shall take such further action and execute and deliver such further documents as may be necessary or appropriate in order to carry out the provisions and purposes of this Agreement.

(h) Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, all questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, each party hereto agrees that all proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and the Note (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the County of New Castle, Delaware (the "Delaware Courts"). Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, each party hereto hereby irrevocably submits to the exclusive jurisdiction of the Delaware Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under the Purchase Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

(i) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature were the original thereof.

(j) All Debtors shall jointly and severally be liable for the obligations of each Debtor to the Secured Party hereunder.

(k) Each Debtor shall indemnify, reimburse and hold harmless the Secured Party and its partners, members, shareholders, officers, directors, employees and agents (and any other persons with other titles that have similar functions) (collectively, "Indemnitees") from and against any and all losses, claims, liabilities, damages, penalties, suits, costs and expenses, of any kind or nature, (including fees relating to the cost of investigating and defending any of the foregoing) imposed on, incurred by or asserted against such Indemnitee in any way related to or arising from or alleged to arise from this Agreement or the Collateral, except any such losses, claims, liabilities, damages, penalties, suits, costs and expenses which result from the gross negligence or willful misconduct of the Indemnitee as determined by a final, nonappealable decision of a court of competent jurisdiction. This indemnification provision is in addition to, and not in limitation of, any other indemnification provision in the Note, the Purchase Agreement or any other agreement, instrument or other document executed or delivered in connection herewith or therewith.

(l) Nothing in this Agreement shall be construed to subject Secured Party to liability as a partner in any Debtor or any of its direct or indirect subsidiaries that is a partnership or as a member in any Debtor or any of its direct or indirect subsidiaries that is a limited liability company, nor shall Secured Party be deemed to have assumed any obligations under any partnership agreement or limited liability company agreement, as applicable, of any such Debtor or any of its direct or indirect subsidiaries or otherwise, unless and until Secured Party exercises its right to be substituted for such Debtor as a partner or member, as applicable, pursuant hereto.

(m) To the extent that the grant of the security interest in the Collateral and the enforcement of the terms hereof require the consent, approval or action of any partner or member, as applicable, of any Debtor or any direct or indirect subsidiary of any Debtor or compliance with any provisions of any of the Organizational Documents, the Debtors hereby grant such consent and approval and waive any such noncompliance with the terms of said documents.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed on the day and year first above written.

DEBTORS:

LIVEXLIVE MEDIA, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

SLACKER, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LIVEXLIVE, CORP.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LXL STUDIOS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LXL INFLUENCERS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

[signature page continues on the following page]

LIVEXLIVE EVENTS, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Executive Vice President

REACT PRESENTS, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

SPRING AWAKENING, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

SUMMER SET MUSIC AND CAMPING FESTIVAL, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

LIVEXLIVE PODCASTONE, INC.

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Executive Vice President

COURTSIDE GROUP, INC.

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

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LIVEXLIVE TICKETS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: Authorized Signatory

COURTSIDE, LLC

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

PODCASTONE SALES, LLC

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

KOKO (CAMDEN) HOLDINGS (US), INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: Executive Chairman and President

SECURED PARTY:

HARVEST SMALL CAP PARTNERS, L.P.

By: /s/ Jeffrey Osher
Name: Jeffrey Osher
Title: Managing Member

HARVEST SMALL CAP PARTNERS MASTER, LTD.

By: /s/ Jeffrey Osher
Name: Jeffrey Osher
Title: Managing Member

ANNEX A
to
SECURITY
AGREEMENT

FORM OF ADDITIONAL DEBTOR JOINDER

Security Agreement dated as of September 15, 2020 made by
LiveXLive Media, Inc.

and its subsidiaries party thereto from time to time, as Debtors
to and in favor of
the Secured Party identified therein (the “Security Agreement”)

Reference is made to the Security Agreement as defined above; capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in, or by reference in, the Security Agreement.

The undersigned hereby agrees that upon delivery of this Additional Debtor Joinder to the Secured Party referred to above, the undersigned shall (a) be an Additional Debtor under the Security Agreement, (b) have all the rights and obligations of a Debtor under the Security Agreement as fully and to the same extent as if the undersigned was an original signatory thereto and (c) be deemed to have made the representations and warranties set forth therein as of the date of execution and delivery of this Additional Debtor Joinder. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE UNDERSIGNED SPECIFICALLY GRANTS TO THE SECURED PARTY A SECURITY INTEREST IN THE COLLATERAL AS MORE FULLY SET FORTH IN THE SECURITY AGREEMENT AND ACKNOWLEDGES AND AGREES TO THE WAIVER OF JURY TRIAL PROVISIONS SET FORTH THEREIN.

Attached hereto are supplemental and/or replacement Schedules to the Security Agreement, as applicable.

An executed copy of this Joinder shall be delivered to the Secured Party, and the Secured Party may rely on the matters set forth herein on or after the date hereof. This Joinder shall not be modified, amended or terminated without the prior written consent of the Secured Party.

IN WITNESS WHEREOF, the undersigned has caused this Joinder to be executed in the name and on behalf of the undersigned.

[Name of Additional Debtor]

By: _____

Name:

Title:

Address:

Dated:

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (this “IP Security Agreement”), dated as of September 15, 2020, is made by LiveXLive Media, Inc., a Delaware corporation (the “Company”), and the other Debtors a party hereto (together with the Company, each individually a “Debtor” and collectively, the “Debtors”), in favor of the holder(s) of the Company’s 8.5% Original Issue Discount Secured Notes due September 15, 2022, in the original aggregate principal amount of \$15,000,000 (collectively, the “Note”) that is a signatory hereto, and its endorsees, transferees and assigns (collectively, the “Secured Party”). Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in, or by reference in, the Security Agreement (as defined below).

RECITALS

WHEREAS, pursuant to that certain the Securities Purchase Agreement, dated as of July 2, 2020, as amended on July 30, 2020, among the Company and the Secured Party (as amended, modified or supplemented from time to time, the “Purchase Agreement”), the Secured Party has agreed to extend the loans to the Company evidenced by the Note;

WHEREAS, in order to induce the Secured Party to extend the loans evidenced by the Note, each Debtor has agreed to execute and deliver to the Secured Party that certain Security Agreement dated as of September 15, 2020 (as amended, modified or supplemented from time to time, the “Security Agreement”), in favor of the Secured Party to grant the Secured Party a security interest in certain property of the Debtors to secure the prompt payment, performance and discharge in full of all of the Debtors obligations under the Note and the other Transaction Documents (as defined in the Purchase Agreement); and

WHEREAS, under the terms of the Security Agreement, the Debtors have granted a security interest to the Secured Party, in, among other property, certain intellectual property of the Debtors, and agreed to execute and deliver this IP Security Agreement, for recording with national, federal and state government authorities, including, but not limited to, the United States Patent and Trademark Office and the United States Copyright Office.

NOW, THEREFORE, in consideration of the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Debtors and the Secured Party hereby agree as follows:

1. Grant of Security. The Debtors hereby pledge and grant to the Secured Party a security interest in and to all of the right, title and interest of the Debtors in, to and under the following, wherever located, and whether now existing or hereafter arising or acquired from time to time (the “IP Collateral”):

(a) the patents and patent applications set forth in Schedule 1 hereto and all reissues, divisions, continuations, continuations-in-part, renewals, extensions and re-examinations thereof and amendments thereto (the “Patents”);

(b) the trademark registrations and applications set forth in Schedule 2 hereto, together with the goodwill connected with the use of and symbolized thereby and all extensions and renewals thereof (the "Trademarks"), excluding only United States of America intent-to-use trademark applications to the extent that and solely during the period in which the grant of a security interest therein would impair, under applicable federal law, the registrability of such applications or the validity or enforceability of registrations issuing from such applications;

(c) all internet domain name registrations and social media accounts or user names (including "handles") incorporating the Trademarks or owned by each Debtor ("Domain Name Registrations"), including the Domain Name Registrations set forth on Schedule 3 hereto;

(d) the copyright registrations and applications set forth in Schedule 4 hereto, and all extensions and renewals thereof (the "Copyrights");

(e) all rights of any kind whatsoever of any Debtor accruing under any of the foregoing provided by applicable law of any jurisdiction, by international treaties and conventions and otherwise throughout the world;

(f) any rights in patents and patent applications, trademark registrations and applications, copyright registrations and applications, domain name registration, social media accounts, and designs licensed to any Debtor, set forth in Schedule 5 hereto;

(g) any and all royalties, fees, income, payments and other proceeds now or hereafter due or payable with respect to any and all of the foregoing;
and

(h) any and all claims and causes of action, with respect to any of the foregoing, whether occurring before, on or after the date hereof, including all rights to and claims for damages, restitution and injunctive and other legal and equitable relief for past, present and future infringement, dilution, misappropriation, violation, misuse, breach or default, with the right but no obligation to sue for such legal and equitable relief and to collect, or otherwise recover, any such damages.

2. Recordation. Each Debtor authorizes the Commissioner for Patents, the Commissioner for Trademarks and the Register of Copyrights and any other government officials in any jurisdiction to record and register this IP Security Agreement upon request by the Secured Party.

3. Transaction Documents. This IP Security Agreement has been entered into pursuant to and in conjunction with the Security Agreement, which is hereby incorporated by reference. The provisions of the Security Agreement shall supersede and control over any conflicting or inconsistent provision herein. The rights and remedies of the Secured Party with respect to the IP Collateral are as provided by the Security Agreement and the other Transaction Documents, and nothing in this IP Security Agreement shall be deemed to limit such rights and remedies.

4. Execution in Counterparts. This IP Security Agreement may be executed by one or more of the parties to this IP Security Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

5. Successors and Assigns. This IP Security Agreement will be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns.

6. Governing Law and Venue. Except to the extent mandatorily governed by the jurisdiction or situs where the IP Collateral is located, all questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Except to the extent mandatorily governed by the jurisdiction or situs where the IP Collateral is located, each party hereto agrees that all proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this IP Security Agreement (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the County of New Castle, Delaware (the "Delaware Courts"). Except to the extent mandatorily governed by the jurisdiction or situs where the IP Collateral is located, each party hereto hereby irrevocably submits to the exclusive jurisdiction of the Delaware Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under the Purchase Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law.

7. Waiver of Jury Trial. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this IP Security Agreement or the transactions contemplated hereby.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this IP Security Agreement to be duly executed on the day and year first above written.

DEBTORS:

LIVEXLIVE MEDIA, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

SLACKER, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LIVEXLIVE, CORP.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LXL STUDIOS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

LXL INFLUENCERS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: CEO

[Debtors' signature page continues on the following page]

LIVEXLIVE EVENTS, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Executive Vice President

REACT PRESENTS, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

SPRING AWAKENING, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

SUMMER SET MUSIC AND CAMPING FESTIVAL, LLC

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Authorized Signatory

LIVEXLIVE PODCASTONE, INC.

By: /s/ Jerome N. Gold
Name: Jerome N. Gold
Title: Executive Vice President

COURTSIDE GROUP, INC.

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

[Debtors' signature page continues on the following page]

COURTSIDE, LLC

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

PODCASTONE SALES, LLC

By: /s/ Norman Pattiz
Name: Norman Pattiz
Title: Executive Chairman

KOKO (CAMDEN) HOLDINGS (US), INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: Executive Chairman and President

LIVEXLIVE TICKETS, INC.

By: /s/ Robert S. Ellin
Name: Robert S. Ellin
Title: Authorized Signatory

[Secured Party's signature page continues on the following page]

SECURED PARTY:

HARVEST SMALL CAP PARTNERS, L.P.

By: /s/ Jeffrey Osher
Name: Jeffrey Osher
Title: Managing Member

HARVEST SMALL CAP PARTNERS MASTER, LTD.

By: /s/ Jeffrey Osher
Name: Jeffrey Osher
Title: Managing Member

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this “Agreement”), dated as of September 15, 2020, by and among **LiveXLive Media, Inc.**, a Delaware corporation (the “Company”), Harvest Small Cap Partners, L.P., a Delaware limited partnership (“Harvest LP”) and Harvest Small Cap Partners Master, Ltd., a Delaware corporation (“Harvest Ltd.” and together with Harvest LP, collectively, the “Buyer”).

RECITALS:

A. In connection with the Securities Purchase Agreement dated as of July 2, 2020, as amended on July 30, 2020 between the Company and No Street Capital LLC (as such may be further amended, the “Securities Purchase Agreement”), the Company has agreed, upon the terms and subject to the conditions of the Securities Purchase Agreement, to issue and sell to the Buyer or, if applicable, at the time, the Holder, (i) the subordinated secured convertible note (the “Convertible Note”) which shall be convertible into shares of the Company’s common stock, par value \$0.001 per share (the “Common Stock,” as converted, the “Conversion Shares”) in accordance with the terms of the Convertible Note, and (ii) 800,000 shares of Common Stock (the “Subscription Shares”). Capitalized terms not defined herein shall have the meaning ascribed to them in the Securities Purchase Agreement.

B. To induce the Buyer to execute and deliver the Securities Purchase Agreement, the Company has agreed to provide certain registration rights under the Securities Act of 1933, as amended, and the rules and regulations thereunder, or any similar successor statute (collectively, the “Securities Act”), and applicable state securities laws.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Buyer hereby agree as follows:

1. DEFINITIONS.

As used in this Agreement, the following terms shall have the following meanings:

(a) “Additional Effective Date” means the date the Additional Registration Statement is declared effective by the SEC.

(b) “Additional Effectiveness Deadline” means the date which is the earlier of (x) (i) in the event that the Additional Registration Statement is not subject to a full review by the SEC, forty-five (45) calendar days after the earlier of the Additional Filing Date and the Additional Filing Deadline or (ii) in the event that the Additional Registration Statement is subject to a full review by the SEC, ninety (90) calendar days after the earlier of the Additional Filing Date and the Additional Filing Deadline and (y) the fifth (5th) Business Day after the date the Company is notified (orally or in writing, whichever is earlier) by the SEC that such Additional Registration Statement will not be reviewed or will not be subject to further review; provided, however, that if the Additional Effectiveness Deadline falls on a Saturday, Sunday or any other day that the SEC is closed for business, the Additional Effectiveness Deadline shall be extended to the next Business Day on which the SEC is open for business.

(c) “Additional Filing Date” means the date on which the Additional Registration Statement is filed with the SEC.

(d) “Additional Filing Deadline” means if the Cut Back Securities are required to be included in any Additional Registration Statement, thirty (30) days after the date substantially all of the Registrable Securities registered under the immediately preceding Registration Statement are sold.

(e) “Additional Registrable Securities” means, (i) any Cut Back Securities not previously included on a Registration Statement and (ii) any capital stock of the Company issued or issuable with respect to the Common Stock, or the Cut Back Securities, as applicable, as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise.

(f) “Additional Registration Statement” means a registration statement or registration statements of the Company filed under the Securities Act covering the resale of any Additional Registrable Securities.

(g) “Business Day” means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

(h) “Cut Back Securities” has the meaning set forth in Section 3(c).

(i) “Effective Date” means the Initial Effective Date and the Additional Effective Date, as applicable.

(j) “Effectiveness Deadline” means the Initial Effectiveness Deadline and the Additional Effectiveness Deadline, as applicable.

(k) “Filing Date” means the Initial Filing Date and the Additional Filing Date, as applicable.

(l) “Filing Deadline” means the Initial Filing Deadline and the Additional Filing Deadline, as applicable.

(m) “Holder” means the holder or holders, as the case may be, from time to time of Registrable Securities.

(n) “Initial Effective Date” means the date that the Initial Registration Statement has been declared effective by the SEC.

(o) “Initial Effectiveness Deadline” means the date which is the earlier of (x) (i) in the event that the Initial Registration Statement is not subject to a full review by the SEC, forty-five (45) calendar days after the Initial Filing Deadline, or (ii) in the event that the Initial Registration Statement is subject to a full review by the SEC, ninety (90) calendar days after the Initial Filing Deadline, and (y) the fifth (5th) Business Day after the date the Company is notified (orally or in writing, whichever is earlier) by the SEC that such Initial Registration Statement will not be reviewed or will not be subject to further review; provided, however, that if the Initial Effectiveness Deadline falls on a Saturday, Sunday or other day that the SEC is closed for business, the Initial Effectiveness Deadline shall be extended to the next Business Day on which the SEC is open for business.

(p) “Initial Filing Date” means the date on which the Initial Registration Statement is filed with the SEC.

(q) “Initial Filing Deadline” means as soon as reasonably practical after the Closing Date (as defined in the Securities Purchase Agreement), but in any event within thirty (30) days after the Closing (as defined in the Securities Purchase Agreement).

(r) “Initial Registrable Securities” means (i) all shares of Common Stock issued or issuable upon conversion in full of the Convertible Note (assuming the Convertible Note is converted in full without regard to any conversion limitations therein), (ii) the Subscription Shares, and (iii) any securities of the Company issued or issuable with respect to the Common Stock, the Subscription Shares, or Conversion Shares as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise without regard to any limitations on conversion of the Convertible Note.

(s) “Initial Registration Statement” means a registration statement or registration statements of the Company filed under the Securities Act covering the resale of the Initial Registrable Securities.

(t) “Person” means a corporation, a limited liability company, an association, a partnership, an organization, a business, an individual, a governmental or political subdivision thereof or a governmental agency.

(u) “Principal Market” means the Nasdaq Capital Market or such other Trading Market where the Common Stock is then listed or quoted.

(v) “Prospectus” means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated 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 Securities covered by a Registration Statement, and 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.

(w) “Registrable Securities” means the Initial Registrable Securities and the Additional Registrable Securities.

(x) “Registration Statement” means the Initial Registration Statement and the Additional Registration Statement, as applicable, including (in each case) the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

(y) “Required Registration Amount” means (i) with respect to the Initial Registration Statement, the number of shares of Common Stock issued or to be issued pursuant to the Convertible Note and including the Subscription Shares, or such lesser amount as required by the SEC pursuant to Rule 415, and (ii) with respect to Additional Registration Statements all Additional Registrable Securities to be filed, in each case subject to any cutback set forth in Section 3(c). In the event there are cutbacks as provided for in Section 3(c), cutback preference shall be given in the following priority: (x) first, to the Conversion Shares, and (y) second, to the Subscription Shares.

(z) “Rule 415” means Rule 415 promulgated by the SEC pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC providing for offering securities on a continuous or delayed basis.

(aa) “SEC” means the United States Securities and Exchange Commission.

(bb) “Trading Day” means a day on which the Principal Market is open for trading.

(cc) “Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange or the Principal Market (or any successors to any of the foregoing).

(dd) “Underwriter” shall mean a securities dealer who purchases any Registrable Securities as principal in an underwritten offering and not as part of such dealer’s market-making activities.

(ee) “Underwriters’ Maximum Number” shall mean, for any Piggyback Registration, that number of securities to which such registration should, in the opinion of the managing Underwriter(s) of such registration, in the light of marketing factors (including an adverse effect on the per share offering price), be limited.

2. REGISTRATION.

(a) Filing and Effectiveness of the Registration Statement. On or prior to each Filing Deadline, the Company shall prepare and file with the SEC a Registration Statement on Form S-1, or, if the Company is then eligible, on Form S-3 covering the resale of all of the Registrable Securities. The Registration Statement prepared pursuant hereto shall register for resale at least the number of shares of Common Stock equal to the Required Registration Amount as of date the Registration Statement is initially filed with the SEC. The Registration Statement shall contain the “Selling Stockholders” and “Plan of Distribution” sections in substantially the form attached hereto as Exhibit A. The Company shall use its best efforts to have the Registration Statement declared effective by the SEC as soon as practicable, but in no event later than the Effectiveness Deadline. By 5:30 pm New York time on the Business Day following the Effective Date, the Company shall file with the SEC in accordance with Rule 424 under the Securities Act the final Prospectus to be used in connection with sales pursuant to such Registration Statement. The Company shall cause the Registration Statement to remain effective until all of the Registrable Securities have been sold or may be sold without Rule 144 volume restrictions pursuant to Rule 144, as determined by the counsel to the Company pursuant to a written opinion letter to such effect, addressed and acceptable to the Company’s transfer agent and the Holder (the “Registration Period”). Prior to the filing of the Registration Statement with the SEC, the Company shall furnish a draft of the Registration Statement to the Holder for its review and comment. The Holder shall furnish comments on the Registration Statement to the Company within two (2) Business Days of the receipt thereof from the Company and the Company shall give due consideration to such comments.

(b) Failure to File or Obtain Effectiveness of the Registration Statement.

1. If a Registration Statement covering the Registrable Securities is not filed with the SEC on or prior to the Filing Deadline (if the Company files a Registration Statement without affording the Holder the opportunity to review and comment on the same as required by Section 3(a), the Company shall not be deemed to have satisfied this clause (1)), the Company will make a payment to the Holder, as liquidated damages and not as a penalty (the “Registration Liquidated Damages”), in an amount equal to two percent (2%) of the aggregate purchase price paid by Holder for the Registrable Securities for the initial day of failure to file such Registration Statement by the Filing Deadline and for each subsequent 30-day period (pro rata for any portion thereof) thereafter for which no such Registration Statement is filed with respect to the Registrable Securities. Such payments shall be made to the Holder in cash no later than ten (10) Business Days after the Filing Deadline and the expiry of each subsequent 30-day period, as applicable. Simple interest shall accrue at the rate of ten percent (10%) per month on any Registration Liquidated Damages that shall not be paid by the applicable payment date until such amounts are paid in full.

2. If: (i) a Registration Statement covering the Registrable Securities filed or required to be filed hereunder is not declared effective by the SEC by its Effectiveness Deadline (other than as a result of Holder not willing to comply with the Cut Back Securities requirement as set forth in Section 3(c)), or (ii) after a Registration Statement has been declared effective by the SEC, sales cannot be made pursuant to such Registration Statement for any reason (including, without limitation, by reason of a stop order or the Company’s failure to update such Registration Statement) or the Holder is otherwise not permitted to utilize the Prospectus therein to resell such Registrable Securities for more than 30 consecutive calendar days or more than an aggregate of 40 calendar days during any 12-month period (which need not be consecutive calendar days) (each of (i) and (ii), a “Maintenance Failure”), then the Company will make a payment to the Holder, as liquidated damages and not as a penalty (the “Effectiveness Liquidated Damages” and together with the Registration Liquidated Damages, the “Liquidated Damages”), in an amount equal to two percent (2%) of the aggregate purchase price paid by Holder for the Registrable Securities for the initial day of a Maintenance Failure and for each 30-day period (pro rata for any portion thereof) thereafter until the Maintenance Failure is cured. The Effectiveness Liquidated Damages shall be paid monthly within ten (10) Business Days of the date of occurrence of any Maintenance Failure and the expiry of each subsequent 30-day period, as applicable. Such payments shall be made to the Holder in cash. Simple interest shall accrue at the rate of ten percent (10%) per month on any such Effectiveness Liquidated Damages that shall not be paid by the applicable payment date until such amounts have been paid in full.

3. The parties agree that (i) notwithstanding anything to the contrary herein, no Liquidated Damages shall be payable with respect to any period after the expiration of the Registration Period (it being understood that this sentence shall not relieve the Company of any Liquidated Damages accruing prior to the expiration of the Registration Period), and in no event shall the aggregate amount of Liquidated Damages payable to the Holder exceed, in the aggregate, fifteen percent (15%) of the aggregate purchase price paid by Holder for the Registrable Securities, and (ii) except with respect to (x) the initial day of failure to file a Registration Statement by the Filing Deadline and (y) the initial day of any Maintenance Failure, in no event shall the Company be liable in any thirty (30) day period for Liquidated Damages under this Agreement in excess of fifteen percent (15%) of the aggregate purchase price paid by Holder for the Registrable Securities. If the Company is unable to cause a Registration Statement covering the Registrable Securities to be filed or declared effective on or prior to the Filing Deadline or Effectiveness Deadline, as applicable, as a result of an acquisition, merger, reorganization, disposition or other similar transaction, then the Company may request a waiver of the Liquidated Damages, and Holder may grant or withhold its consent to such request in its discretion.

(c) Liquidated Damages. The Company and the Buyer hereto acknowledge and agree that the sums payable under subsection 2(b) above shall constitute liquidated damages and not penalties and are in addition to all other rights of the Buyer, including the right to call a default or seek injunctive relief. The parties further acknowledge that (i) the amount of loss or damages likely to be incurred is incapable or is difficult to precisely estimate, (ii) the amounts specified in such subsections bear a reasonable relationship to, and are not plainly or grossly disproportionate to, the probable loss likely to be incurred in connection with any failure by the Company to obtain or maintain the effectiveness of a Registration Statement, (iii) one of the reasons for the Company and the Buyer reaching an agreement as to such amounts was the uncertainty and cost of litigation regarding the question of actual damages, and (iv) the Company and the Buyer are sophisticated business parties and have been represented by sophisticated and able legal counsel and negotiated this Agreement at arm's length. Notwithstanding the foregoing, there shall be no liquidated damages for Cut Back Securities (as defined in Section 3(c) below).

(d) Piggyback Registration.

1. Piggyback Rights. If the Company shall determine to register the offer or sale of any of its capital stock either (x) for its own account, (y) for the account of Holder or (z) for the account of other stockholders (other than (i) a registration on Form S-8 (as promulgated under the Securities Act), (ii) a registration relating solely to (A) a Rule 145 transaction under the Securities Act or otherwise made in connection with mergers, acquisitions, exchange offers, subscription offers or dividend reinvestment plans, (B) to an exchange offer for securities of the Company or its subsidiaries or another entity; or (C) in more than one of the kinds of transaction listed in this Section (ii), (iii) a registration on any registration form which does not permit secondary sales or does not include substantially the same information as would be required to be included in a registration statement), or (iv) pursuant to the Company's current shelf Registration Statement on Form S-3 or amendments thereto or the filing of any new shelf Registration Statement on Form S-3 (each such registration not withdrawn or abandoned prior to the effective date thereof being herein called a "Piggyback Registration"), the Company will, subject to the conditions set forth in this Section 2(d) (provided, that the Company shall have no obligation to proceed with the filing or effectiveness of any such registration statement as it determines in its sole discretion):

a) promptly, but in any event not less than six (6) days (two (2) Business Days in the event of an "overnight" offering or "bought" deal) prior to filing the applicable Registration Statements, give to Holder a written notice thereof (the "Piggyback Registration Notice"); and

b) subject to Subsection 2 below and any transfer restrictions Holder may be a party to, include in such Piggyback Registration (and any related qualification under blue sky laws or other compliance), and in any underwriting involved therein, all the Registrable Securities specified in a written request or requests, made by Holder. Such written request must specify the specific amount of Holder's Registrable Securities for which inclusion is requested and the intended method of disposition thereof and shall be received by the Company within six (6) days (two (2) Business Days in the case of an "overnight" offering or "bought" deal) after written notice from the Company is given under Subsection 1 above. In the event that Holder makes such written request, Holder may withdraw its Registrable Securities from such Piggyback Registration by giving written notice to the Company and the managing underwriter, if any, at any time at least two (2) Business Days prior to the effective date of the Registration Statement relating to such Piggyback Registration. In the event any Holder requests inclusion in a Piggyback Registration pursuant to this Subsection (b) in connection with a distribution of Registrable Securities to its partners or members, the Piggyback Registration shall provide for the resale by such partners or members, if requested by Holder.

2. Underwriting. If the Piggyback Registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise Holder as a part of the written notice given pursuant to Subsection 1 above (the "Underwritten Offering Piggyback Notice"). In such event, the right of Holder to a Piggyback Registration pursuant to this Section 2(d) shall be conditioned upon Holder's participation in such underwriting and the inclusion of Holder's Registrable Securities in the underwriting to the extent provided herein. Holder shall (together with the Company and any other stockholders distributing their securities through such underwriting) enter into an underwriting agreement in customary form for secondary public offerings with the managing underwriter or underwriters selected for underwriting by the Company; provided, however, that such underwriting agreement shall not provide for indemnification or contribution obligations on the part of Holder except as may be customary and reasonable.

3. Priority on Piggyback Registrations. If a Piggyback Registration is an underwritten registration, and the managing Underwriter(s) shall give written advice to the Company of an Underwriters' Maximum Number, then securities will be included in the following order of priority: (i) equity securities proposed to be included in such Piggyback Registration by the Company for its own account, and (ii) if the Underwriters' Maximum Number exceeds the number of securities proposed to be included pursuant to clause (i) above, then such excess, up to the Underwriters' Maximum Number shall first be deducted from any shares to be included by other stockholders and to the extent such amount is insufficient, then shares shall be deducted from the amount sold by Holder.

3. RELATED OBLIGATIONS.

(a) The Company shall, not less than three (3) Trading Days prior to the filing of each Registration Statement and not less than one (1) Trading Day prior to the filing of any related amendments and supplements to all Registration Statements (except for annual reports on Form 10-K), furnish to Holder copies of all such documents proposed to be filed, which documents (other than those incorporated or deemed to be incorporated by reference) will be subject to the reasonable and prompt review of Holder. The Company shall not file a Registration Statement or any such Prospectus or any amendments or supplements thereto to which the Holder shall reasonably object in good faith; *provided*, that, the Company is notified of such objection in writing no later than two (2) Trading Days after the Holder has been so furnished copies of a Registration Statement.

(b) The Company shall (i) prepare and file with the SEC such amendments (including post-effective amendments) and supplements to a Registration Statement and the Prospectus used in connection with such Registration Statement, which prospectus is to be filed pursuant to Rule 424 promulgated under the Securities Act, as may be necessary to keep such Registration Statement effective at all times during the Registration Period, and prepare and file with the SEC such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and as so supplemented or amended to be filed pursuant to Rule 424; (iii) respond as promptly as reasonably possible to any comments received from the SEC with respect to a Registration Statement or any amendment thereto and as promptly as reasonably possible provide the Holder true and complete copies of all correspondence from and to the SEC relating to a Registration Statement (*provided* that the Company may excise any information contained therein which would constitute material non-public information as to Holder, if Holder has not executed a confidentiality agreement with the Company); and (iv) comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities of the Company covered by such Registration Statement until such time as all of such Registrable Securities shall have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof as set forth in such Registration Statement. In the case of amendments and supplements to a Registration Statement which are required to be filed pursuant to this Agreement (including pursuant to this Section 3(b)) by reason of the Company's filing a report on Form 10-K, Form 10-Q or Form 8-K or any analogous report under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company shall incorporate such report by reference into the Registration Statement, if applicable, or shall file such amendments or supplements with the SEC on the same day on which the Exchange Act report is filed which created the requirement for the Company to amend or supplement the Registration Statement.

(c) Reduction of Registrable Securities Included in a Registration Statement. Notwithstanding anything contained herein, in the event that the SEC requires the Company to reduce the number of Registrable Securities to be included in a Registration Statement in order to allow the Company to rely on Rule 415 with respect to a Registration Statement, then the Company shall be obligated to include in such Registration Statement (which may be a subsequent Registration Statement if the Company needs to withdraw the initial Registration Statement and refile a new Registration Statement in order to rely on Rule 415) only such limited portion of the Registrable Securities as the SEC shall permit. Any Registrable Securities that are excluded in accordance with the foregoing terms are hereinafter referred to as “Cut Back Securities.” To the extent Cut Back Securities exist, as soon as may be permitted by the SEC, the Company shall be required to file a Registration Statement covering the resale of the Cut Back Securities and shall use best efforts to cause such Registration Statement to be declared effective as promptly as practicable thereafter.

(d) The Company shall electronically furnish to Holder, without charge, (i) at least one (1) copy of such Registration Statement as declared effective by the SEC and any amendment(s) thereto, including financial statements and schedules, all documents incorporated therein by reference, all exhibits and each preliminary prospectus, (ii) five (5) copies of the final prospectus included in such Registration Statement and all amendments and supplements thereto (or such other number of copies as such Holder may reasonably request) and (iii) such other documents as Holder may reasonably request from time to time in order to facilitate the disposition of the Registrable Securities owned by Holder.

(e) The Company shall use its best efforts to (i) register and qualify the Registrable Securities covered by a Registration Statement under such other securities or “blue sky” laws of such jurisdictions in the United States as Holder reasonably requests, (ii) prepare and file in those jurisdictions such amendments (including post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof during the Registration Period, (iii) take such other actions as may be necessary to maintain such registrations and qualifications in effect at all times during the Registration Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Registrable Securities for sale in such jurisdictions; *provided*, however, that the Company shall not be required in connection therewith or as a condition thereto to (w) make any change to its Certificate of Incorporation or by-laws, (x) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(e), (y) subject itself to general taxation in any such jurisdiction, or (z) file a general consent to service of process in any such jurisdiction. The Company shall promptly notify Holder of the receipt by the Company of any notification with respect to the suspension of the registration or qualification of any of the Registrable Securities for sale under the securities or “blue sky” laws of any jurisdiction in the United States or its receipt of actual notice of the initiation or threat of any proceeding for such purpose.

(f) As promptly as practicable after becoming aware of such event or development, the Company shall notify Holder in writing of the happening of any event as a result of which the Prospectus included in a Registration Statement, as then in effect, includes an untrue statement of a material fact or omission 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 (*provided* that in no event shall such notice contain any material, nonpublic information), and promptly prepare a supplement or amendment to such Registration Statement to correct such untrue statement or omission, and electronically deliver five (5) copies of such supplement or amendment to Holder. The Company shall also promptly notify Holder in writing (i) when a Prospectus or any Prospectus supplement or post-effective amendment has been filed, and when a Registration Statement or any post-effective amendment has become effective (notification of such effectiveness shall be delivered to Holder on the same day of such effectiveness), (ii) of any request by the SEC for amendments or supplements to a Registration Statement or related prospectus or related information, and (iii) of the Company's reasonable determination that a post-effective amendment to a Registration Statement would be appropriate (any such notification in clauses (i) through (iii) shall be delivered to Holder by facsimile or email).

(g) The Company shall use its 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 Securities for sale in any jurisdiction within the United States of America and, if such an order or suspension is issued, 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.

(h) If, after the execution of this Agreement, Holder believes, after consultation with its legal counsel, that it could reasonably be deemed to be an underwriter of Registrable Securities, at the request of Holder, the Company shall use its commercially reasonable best efforts to furnish to Holder, on the date of the effectiveness of the Registration Statement and thereafter from time to time on such dates as Holder may reasonably request (but not more than twice in any consecutive 12-month period) (i) a letter, dated such date, from the Company's independent certified public accountants in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, and (ii) an opinion, dated as of such date, of counsel representing the Company for purposes of such Registration Statement, in form, scope and substance as is customarily given in an underwritten public offering, addressed to the Holder.

(i) If, after the execution of this Agreement, Holder believes, after consultation with its legal counsel, that it could reasonably be deemed to be an underwriter of Registrable Securities, at the request of Holder, the Company shall make available for inspection by (i) Holder and (ii) one firm of accountants or other agents retained by the Holder (the "Inspector") all pertinent financial and other records, and pertinent corporate documents and properties of the Company (collectively, the "Records"), as shall be reasonably deemed necessary by Inspector, and cause the Company's officers, directors and employees to supply all information which Inspector may reasonably request; *provided*, however, that Inspector shall agree, and Holder hereby agrees, to hold in strict confidence and shall not make any disclosure (except to Holder) or use any Record or other information which the Company determines in good faith to be confidential, and of which determination the Inspector is so notified, unless (a) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in any Registration Statement or is otherwise required under the Securities Act, (b) the release of such Records is ordered pursuant to a final, non-appealable subpoena or order from a court or government body of competent jurisdiction, or (c) the information in such Records has been made generally available to the public other than by any action of the Holder or any of its representatives or as a result of a disclosure in violation of this Agreement or any other agreement of which the Inspector and the Holder has knowledge. Holder agrees that it shall, upon learning that disclosure of such Records is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt notice to the Company and allow the Company, at its expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, the Records deemed confidential.

(j) The Company shall hold in confidence and not make any disclosure of information concerning Holder provided to the Company unless (i) disclosure of such information is necessary to comply with federal or state securities laws or the rules or regulations of the Principal Market, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement or any other agreement. The Company agrees that it shall, upon learning that disclosure of such information concerning Holder is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt written notice to Holder and allow Holder, at the Holder's expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

(k) The Company shall use its best efforts either to cause all the Registrable Securities covered by a Registration Statement (i) to be listed on each securities exchange on which securities of the same class or series issued by the Company are then listed, if any, if the listing of such Registrable Securities is then permitted under the rules of such exchange or (ii) the inclusion for quotation on the Principal Market. The Company shall pay all fees and expenses in connection with satisfying its obligation under this Section 3(k).

(l) The Company shall cooperate with Holder to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legend) representing the Registrable Securities to be offered pursuant to a Registration Statement and enable such certificates to be in such denominations or amounts, as the case may be, as the Holder may reasonably request and registered in such name as the Holder may request.

(m) The Company shall use its best efforts to cause the Registrable Securities covered by the applicable Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to consummate the disposition of such Registrable Securities.

(n) The Company shall make generally available to its security holders as soon as practical, but not later than ninety (90) days after the close of the period covered thereby, an earnings statement (in form complying with the provisions of Rule 158 under the Securities Act) covering a twelve (12) month period beginning not later than the first day of the Company's fiscal quarter next following the Effective Date of the Registration Statement.

(o) The Company shall otherwise use its best efforts to comply with all applicable rules and regulations of the SEC in connection with any registration hereunder.

(p) Within two (2) Business Days after a Registration Statement which covers Registrable Securities is declared effective by the SEC, the Company shall deliver, and shall cause legal counsel for the Company to deliver, to the transfer agent for such Registrable Securities (with copies to Holder) confirmation that such Registration Statement has been declared effective by the SEC in the form attached hereto as Exhibit B.

(q) The Company shall use its commercially reasonable efforts to take all other reasonable actions necessary to expedite and facilitate disposition by Holder of Registrable Securities pursuant to a Registration Statement.

4. OBLIGATIONS OF THE HOLDER.

(a) Holder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3(f), Holder will immediately discontinue disposition of Registrable Securities pursuant to any Registration Statement covering such Registrable Securities until Holder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 3(f) or receipt of notice that no supplement or amendment is required. Notwithstanding anything to the contrary, the Company shall cause its transfer agent to deliver unlegended certificates for shares of Common Stock to a transferee of Holder in accordance with the terms of the Securities Purchase Agreement in connection with any sale of Registrable Securities with respect to which Holder has entered into a contract for sale prior to the Holder's receipt of a notice from the Company of the happening of any event of the kind described in Section 3(f) or the first sentence of 3(e) and for which the Holder has not yet settled.

(b) Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it or an exemption therefrom in connection with sales of Registrable Securities pursuant to the Registration Statement.

5. EXPENSES OF REGISTRATION.

All expenses incurred in connection with registrations, filings or qualifications pursuant to Sections 2 and 3, including, without limitation, all registration, listing and qualifications fees, printers, legal (which shall exclude fees and expenses of Inspector and counsel to the Holder) and accounting fees, shall be paid by the Company.

6. INDEMNIFICATION.

With respect to Registrable Securities which are included in a Registration Statement under this Agreement:

(a) To the fullest extent permitted by law, the Company will, and hereby does, indemnify, hold harmless and defend Buyer, Holder, the directors, officers, partners, employees, agents, representatives of, and each Person, if any, who controls Buyer or Holder within the meaning of the Securities Act or the Exchange Act (each, an “Indemnified Person”), against any losses, claims, damages, liabilities, judgments, fines, penalties, charges, costs, reasonable attorneys’ fees, amounts paid in settlement or expenses, joint or several (collectively, “Claims”) incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency, body or the SEC, whether pending or threatened, whether or not an indemnified party is or may be a party thereto (“Indemnified Damages”), to which any of them may become subject insofar as such Claims (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon: (i) any untrue statement or alleged untrue statement of a material fact in a Registration Statement or any post-effective amendment thereto or in any filing made in connection with the qualification of the offering under the securities or other “blue sky” laws of any jurisdiction in which Registrable Securities are offered (“Blue Sky Filing”), or the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) any untrue statement or alleged untrue statement of a material fact contained in any final prospectus (as amended or supplemented, if the Company files any amendment thereof or supplement thereto with the SEC) or the omission or alleged omission to state therein any material fact necessary to make the statements made therein, in light of the circumstances under which the statements therein were made, not misleading; or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any other law, including, without limitation, any state securities law, or any rule or regulation thereunder relating to the offer or sale of the Registrable Securities pursuant to a Registration Statement (the matters in the foregoing clauses (i) through (iii) being, collectively, “Violations”). The Company shall reimburse the Buyer or Holder and each such controlling person promptly as such expenses are incurred and are due and payable, for any legal fees or disbursements or other reasonable expenses incurred by them in connection with investigating or defending any such Claim. Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 6(a): (x) shall not apply to a Claim by an Indemnified Person arising out of or based upon a Violation which occurs in reliance upon and in conformity with information furnished in writing to the Company by such Indemnified Person expressly for use in connection with the preparation of the Registration Statement or any such amendment thereof or supplement thereto; (y) shall not be available to the extent such Claim is based on a failure of the Buyer or Holder to deliver or to cause to be delivered the prospectus made available by the Company, if such prospectus was timely made available by the Company pursuant to Section 3(c); and (z) shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of the Company, which consent shall not be unreasonably withheld. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Indemnified Person and shall survive the transfer of the Registrable Securities by the Buyer or Holder pursuant to Section 9 hereof.

(b) In connection with a Registration Statement, Buyer and Holder agrees to indemnify, hold harmless and defend, to the same extent and in the same manner as is set forth in Section 6(a), the Company, each of its directors, each of its officers, employees, representatives, or agents and each Person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act (each an “Indemnified Party”), against any Claim or Indemnified Damages to which any of them may become subject, under the Securities Act, the Exchange Act or otherwise, insofar as such Claim or Indemnified Damages arise out of or is based upon any Violation, in each case to the extent, and only to the extent, that such Violation occurs in reliance upon and in conformity with written information furnished to the Company by Buyer or Holder expressly for use in connection with such Registration Statement; and, subject to Section 6(d), Buyer or Holder will reimburse any legal or other expenses reasonably incurred by it in connection with investigating or defending any such Claim; *provided*, however, that the indemnity agreement contained in this Section 6(b) and the agreement with respect to contribution contained in Section 7 shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of Buyer or Holder, which consent shall not be unreasonably withheld; *provided*, further, however, that the Buyer or Holder shall be liable under this Section 6(b) for only that amount of a Claim or Indemnified Damages as does not exceed the net proceeds to Buyer or Holder as a result of the sale of Registrable Securities pursuant to such Registration Statement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Party and shall survive the transfer of the Registrable Securities by the Buyer or Holder pursuant to Section 9. Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 6(b) with respect to any prospectus shall not inure to the benefit of any Indemnified Party if the untrue statement or omission of material fact contained in the prospectus was corrected and such new prospectus was delivered to Buyer or Holder prior to Buyer’s or Holder’s use of the prospectus to which the Claim relates.

(c) Promptly after receipt by an Indemnified Person or Indemnified Party under this Section 6 of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving a Claim, such Indemnified Person or Indemnified Party shall, if a Claim in respect thereof is to be made against any indemnifying party under this Section 6, deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually satisfactory to the indemnifying party and the Indemnified Person or the Indemnified Party, as the case may be; *provided*, however, that an Indemnified Person or Indemnified Party shall have the right to retain its own counsel with the fees and expenses of not more than one (1) counsel for such Indemnified Person or Indemnified Party to be paid by the indemnifying party, if, in the reasonable opinion of counsel retained by the indemnifying party, the representation by such counsel of the Indemnified Person or Indemnified Party and the indemnifying party would be inappropriate due to actual or potential differing interests between such Indemnified Person or Indemnified Party and any other party represented by such counsel in such proceeding. The Indemnified Party or Indemnified Person shall cooperate fully with the indemnifying party in connection with any negotiation or defense of any such action or claim by the indemnifying party and shall furnish to the indemnifying party all information reasonably available to the Indemnified Party or Indemnified Person which relates to such action or claim. The indemnifying party shall keep the Indemnified Party or Indemnified Person fully apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its prior written consent; *provided*, however, that the indemnifying party shall not unreasonably withhold, delay or condition its consent. No indemnifying party shall, without the prior written consent of the Indemnified Party or Indemnified Person, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party or Indemnified Person of a release from all liability in respect to such claim or litigation. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnified Party or Indemnified Person with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve such indemnifying party of any liability to the Indemnified Person or Indemnified Party under this Section 6, except to the extent that the indemnifying party is prejudiced in its ability to defend such action.

(d) The indemnification required by this Section 6 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or Indemnified Damages are incurred.

(e) The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the Indemnified Party or Indemnified Person against the indemnifying party or others, and (ii) any liabilities the indemnifying party may be subject to pursuant to the law.

7. CONTRIBUTION.

To the extent any indemnification by an indemnifying party is prohibited or limited by law, the indemnifying party agrees to make the maximum contribution with respect to any amounts for which it would otherwise be liable under Section 6 to the fullest extent permitted by law; *provided*, however, that: (i) no seller of Registrable Securities guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any seller of Registrable Securities who was not guilty of fraudulent misrepresentation; and (ii) contribution by any seller of Registrable Securities shall be limited in amount to the net amount of proceeds received by such seller from the sale of such Registrable Securities.

8. REPORTS UNDER THE EXCHANGE ACT.

So long as Holder owns Registrable Securities, with a view to making available to the Holder the benefits of Rule 144 promulgated under the Securities Act or any similar rule or regulation of the SEC that may at any time permit the Holder to sell securities of the Company to the public without registration (“Rule 144”) the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act so long as the Company remains subject to such requirements and the filing of such reports and other documents as are required by the applicable provisions of Rule 144; and

(c) electronically furnish to Holder, promptly upon request, (i) a written statement by the Company that it has complied with the reporting requirements of Rule 144, the Securities Act and the Exchange Act, (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested to permit the Holder to sell such securities pursuant to Rule 144 without registration.

9. AMENDMENT OF REGISTRATION RIGHTS.

Provisions of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and Holder. Any amendment or waiver effected in accordance with this Section 9 shall be binding upon Holder and the Company. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of any of this Agreement unless the same consideration also is offered to all of the parties to this Agreement.

10. MISCELLANEOUS.

(a) A Person is deemed to be a holder of Registrable Securities whenever such Person owns or is deemed to own of record such Registrable Securities or owns the right to receive the Registrable Securities. If the Company receives conflicting instructions, notices or elections from two (2) or more Persons with respect to the same Registrable Securities, the Company shall act upon the basis of instructions, notice or election received from the registered owner of such Registrable Securities.

(b) Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile or email (*provided* confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one (1) business day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company, to:

9200 Sunset Boulevard, Suite 1201
West Hollywood, CA 90069
Attention: CEO
Telephone: (310) 601-2500
Facsimile: (310) 601-2510
Email: rob@livexlive.com and tenia@livexlive.com

With Copy to (which shall
not constitute notice):

Foley Shechter Ablovatskiy LLP
1359 Broadway, 20th Floor, Suite 2001
New York, NY 10018
Attention:
Sasha Ablovatskiy, Esq.
Telephone: (212) 335-0466
Facsimile: (917) 688-4092
Email: sablovatskiy@foleyshechter.com

If to Holder, to its address, email and facsimile number on the signature page, with copies to Holder's representatives as set forth on the signature page or to such other address, email and/or facsimile number and/or to the attention of such other person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission, (C) if by email, upon receipt (*provided* confirmation of transmission is mechanically or electronically generated and kept on file by the sending party) or (D) provided by a courier or overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

(c) Failure of any party to exercise any right or remedy under this Agreement or otherwise, or delay by a party in exercising such right or remedy, shall not operate as a waiver thereof.

(d) The laws of the State of Delaware shall govern all issues concerning the relative rights of the Company and the Holder. All other questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. Each party hereby irrevocably submits to the non-exclusive jurisdiction of the courts of the County of New Castle, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

(e) This Agreement shall inure to the benefit of and be binding upon the permitted successors and assigns of each of the parties hereto.

(f) The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(g) This Agreement may be executed in identical counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement. This Agreement, once executed by a party, may be delivered to the other party hereto by facsimile transmission of a copy of this Agreement bearing the signature of the party so delivering this Agreement.

(h) Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(i) The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent and no rules of strict construction will be applied against any party.

(j) This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Buyer and the Company have caused their signature page to this Registration Rights Agreement to be duly executed as of the date first above written.

COMPANY:

LIVEXLIVE MEDIA, INC.

By: /s/ Robert S. Ellin

Name: Robert S. Ellin

Title: CEO and Chairman

IN WITNESS WHEREOF, Buyer and the Company have caused their signature page to this Registration Rights Agreement to be duly executed as of the date first above written.

BUYER:

HARVEST SMALL CAP PARTNERS, L.P.

By: /s/ Jeffrey Osher

Name: Jeffrey Osher

Title: Managing Member

HARVEST SMALL CAP PARTNERS MASTER, LTD.

By: /s/ Jeffrey Osher

Name: Jeffrey Osher

Title: Managing Member

Address for Notice:

505 Montgomery Street, Suite 1250
San Francisco, CA 94111
Email: jeff@nostreetcapital.com

Keating Muething & Klekamp PLL
One East 4th Street, Suite 1400
Cincinnati, Ohio 45202
Attention: Michael J. Moeddel
Telephone: (513) 639-3962
Facsimile: (513) 579-6457
Email: moeddelm@kmlaw.com

With Copy to (which shall
not constitute notice):

EXHIBIT A

SELLING STOCKHOLDERS

AND PLAN OF DISTRIBUTION

Selling Stockholders

The shares of Common Stock being offered by the selling stockholders are issuable upon conversion of the Convertible Note and the Subscription Shares. For additional information regarding the issuance of the Convertible Note, and Subscription Shares, see “Private Placement of Convertible Note and Subscription Shares” above. We are registering the shares of Common Stock in order to permit the selling stockholders to offer the shares for resale from time to time. Except as otherwise noted and except for the ownership of the Convertible Note and the Subscription Shares issued pursuant to the Securities Purchase Agreement, the selling stockholders have not had any material relationship with us within the past three years.

The table below lists the selling stockholders and other information regarding the beneficial ownership of the shares of Common Stock by each of the selling stockholders. The second column lists the number of shares of Common Stock beneficially owned by each selling stockholder, based on its ownership of the Convertible Note and Subscription Shares, as of , 2020, assuming conversion of the Convertible Note and the Subscription Shares held by the selling stockholders on that date, without regard to any limitations on conversions or exercise.

The third column lists the shares of Common Stock being offered by this prospectus by the selling stockholders.

In accordance with the terms of a registration rights agreement with the selling stockholders, this prospectus generally covers the resale of at least (i) 100% of the number of Conversion Shares issued and issuable pursuant to the Convertible Note as of the trading day immediately preceding the date the registration statement is initially filed with the SEC, and (ii) the Subscription Shares. Because the conversion price of the Convertible Note may be adjusted, the number of shares that will actually be issued may be more or less than the number of shares being offered by this prospectus. The fourth column assumes the sale of all of the shares offered by the selling stockholders pursuant to this prospectus.

Name of Selling Stockholder	Number of Shares Owned Prior to Offering	Maximum Number of Shares to be Sold Pursuant to this Prospectus	Number of Shares Owned After Offering	Percentage of Shares Beneficially Owned After Offering
Harvest Small Cap Partners, L.P.		239,788		
Harvest Small Cap Partners Master, Ltd.		560,212		

Plan of Distribution

The Selling Stockholder (the “Selling Stockholder”) of the common stock and any of their pledgees, assignees and successors-in-interest may, from time to time, sell any or all of their shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These sales may be at fixed or negotiated prices. The Selling Stockholder may use any one or more of the following methods when selling shares:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- broker-dealers may agree with the Selling Stockholder to sell a specified number of such shares at a stipulated price per share;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The Selling Stockholder may also sell shares under Rule 144 under the Securities Act of 1933, as amended (the “Securities Act”), if available, rather than under this prospectus.

In connection with the sale of the common stock or interests therein, the Selling Stockholder may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The Selling Stockholder may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The Selling Stockholder and any broker-dealers or agents that are involved in selling the shares may be deemed to be “underwriters” within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. The Selling Stockholder has informed the Company that it does not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the Common stock. In no event shall any broker-dealer receive fees, commissions and markups which, in the aggregate, would exceed eight percent (8%).

The Company is required to pay certain fees and expenses incurred by the Company incident to the registration of the shares. The Company has agreed to indemnify the Selling Stockholder against certain losses, claims, damages and liabilities, including liabilities under the Securities Act.

Because Selling Stockholder may be deemed to be “underwriters” within the meaning of the Securities Act, it will be subject to the prospectus delivery requirements of the Securities Act including Rule 172 thereunder. In addition, any securities covered by this prospectus which qualify for sale pursuant to Rule 144 under the Securities Act may be sold under Rule 144 rather than under this prospectus. There is no underwriter or coordinating broker acting in connection with the proposed sale of the resale shares by the Selling Stockholder.

The Company agreed to keep this prospectus effective until the earlier of (i) the date on which the shares may be resold by the Selling Stockholder without registration and without regard to any volume limitations by reason of Rule 144(k) under the Securities Act or any other rule of similar effect or (ii) all of the shares have been sold pursuant to this prospectus or Rule 144 under the Securities Act or any other rule of similar effect. The resale shares will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the resale shares may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the resale shares may not simultaneously engage in market making activities with respect to the common stock for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the Selling Stockholder will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of shares of the common stock by the Selling Stockholders or any other person. The Company will make copies of this prospectus available to the Selling Stockholder and has informed it of the need to deliver a copy of this prospectus to each purchaser at or prior to the time of the sale (including by compliance with Rule 172 under the Securities Act).

EXHIBIT B

**FORM OF NOTICE OF EFFECTIVENESS
OF REGISTRATION STATEMENT**

Attention:

Re: LIVEXLIVE MEDIA, INC.

Ladies and Gentlemen:

We are counsel to LiveXLive Media, Inc., a Delaware corporation (the “Company”), and have represented the Company in connection with that certain Securities Purchase Agreement, dated as of July 2, 2020 (as amended, the “Securities Purchase Agreement”) entered into by and between the Company and No Street Capital LLC (the “Buyer”) pursuant to which the Company issued to the Buyer, or its assignees, shares of its Common stock, par value \$0.001 per share (the “Common Stock”). Pursuant to the Securities Purchase Agreement, the Company also has entered into a Registration Rights Agreement, dated as of September 15, 2020, with Harvest Small Cap Partners, L.P. and Harvest Small Cap Partners Master, Ltd. (the “Registration Rights Agreement”) pursuant to which the Company agreed, among other things, to register the Registrable Securities (as defined in the Registration Rights Agreement) under the Securities Act of 1933, as amended (the “Securities Act”). In connection with the Company’s obligations under the Registration Rights Agreement, on _____, the Company filed a Registration Statement on Form (File No. 333-_____) (the “Registration Statement”) with the U.S. Securities and Exchange Commission (the “SEC”) relating to the Registrable Securities which names the Buyer as a selling stockholder thereunder.

In connection with the foregoing, we advise you that a member of the SEC’s staff has advised us by telephone that the SEC has entered an order declaring the Registration Statement effective under the Securities Act at [ENTER TIME OF EFFECTIVENESS] on [ENTER DATE OF EFFECTIVENESS] and we have no knowledge, after telephonic inquiry of a member of the SEC’s staff, that any stop order suspending its effectiveness has been issued or that any proceedings for that purpose are pending before, or threatened by, the SEC and the Registrable Securities are available for resale under the Securities Act pursuant to the Registration Statement.

Very truly yours,

[Law Firm]

By: _____

cc: **Harvest Small Cap Partners, L.P.**

Harvest Small Cap Partners Master, Ltd.