

# CINEDIGM CORP.

## **FORM 8-K** (Current report filing)

Filed 12/23/16 for the Period Ending 12/22/16

Address	902 BROADWAY 9TH FLOOR NEW YORK, NY 10010
Telephone	212-206-8600
CIK	0001173204
Symbol	CIDM
SIC Code	7841 - Video Tape Rental
Industry	Entertainment Production
Sector	Consumer Cyclical
Fiscal Year	03/31

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

**FORM 8-K**

**CURRENT REPORT**

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

**December 22, 2016**

(Date of earliest event reported)

**Cinedigm Corp.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**001-31810**

(Commission File Number)

**22-3720962**

(IRS Employer  
Identification No.)

**902 Broadway, 9<sup>th</sup> Floor, New York, New York**

(Address of principal executive offices)

**10010**

(Zip Code)

**212-206-8600**

(Registrant's telephone number, including area code)

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))
-

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

*Exchange of \$3.429 million of Convertible Notes for Common Stock*

On December 22, 2016, Cinedigm Corp. (the “Company”) entered into an exchange agreement (the “Exchange Agreement”) pursuant to which the Company issued 450,000 shares of its Class A common stock, par value \$0.001 per share (the “Common Stock”) and warrants to purchase 200,000 shares of Common Stock in exchange for \$3,429,000 principal amount of the Company’s 5.5% Convertible Notes due 2035 with the holder of such notes. The exchanged notes were immediately cancelled. The warrants, which become exercisable six months after issuance, have a five-year term, an exercise price of \$1.60 per share, and customary anti-dilution provisions. The exchange was consummated on December 23, 2016.

*Termination of Warrants to Purchase 1.773 million shares of Common Stock*

On December 23, 2016, the Company entered into an exchange agreement (the “Sageview Agreement”) with Sageview Capital Master, L.P. (“Sageview”) pursuant to which Sageview has agreed to terminate the outstanding warrants to purchase 1,773,462 shares of Common Stock at an exercise price of \$12.36 per share in exchange for \$5,000 in cash. The exchange was consummated on December 23, 2016.

**Item 1.02 Termination of a Material Definitive Agreement.**

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

**Item 3.02 Unregistered Sales of Equity Securities.**

The information set forth under Item 1.01 above is incorporated herein by reference. The securities were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

**Item 9.01 Financial Statements and Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
4.1	Form of warrant issued on December 23, 2016.
10.1	Exchange Agreement, dated as of December 22, 2016, between the Company and Cap 1 LLC.
10.2	Exchange Agreement, dated as of December 23, 2016, between the Company and Sageview Capital Master, L.P.

**SIGNATURE**

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

Dated as of December 23, 2016

By: /s/ Gary S. Loffredo  
Name: Gary S. Loffredo  
Title: President, Digital Cinema , General Counsel and Secretary

## EXHIBIT INDEX

<b>Exhibit No.</b>	<b>Description</b>
4.1	Form of warrant issued on December 23, 2016.
10.1	Exchange Agreement, dated as of December 22, 2016, between the Company and Cap 1 LLC.
10.2	Exchange Agreement, dated as of December 23, 2016, between the Company and Sageview Capital Master, L.P.

Issue Date: December 23, 2016

NEITHER THIS SECURITY NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY HAVE 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, 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.

### COMMON STOCK PURCHASE WARRANT

To Purchase 200,000 Shares of Class A Common Stock of

#### CINEDIGM CORP.

THIS COMMON STOCK PURCHASE WARRANT (the “Warrant”) certifies that, for value received, Cap 1 LLC (the “Holder”), is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, in accordance with the vesting provisions of Section 2(b) hereof and on or prior to the close of business on December 22, 2021 (the “Termination Date”) but not thereafter, to subscribe for and purchase from Cinedigm Corp., a Delaware corporation (the “Company”), up to 200,000 shares (the “Warrant Shares”) of the Company’s Class A Common Stock, par value \$0.001 per share, of the Company (the “Common Stock”). The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(c). This Warrant is issued to Holder pursuant to the Exchange Agreement, dated as of December 22, 2016 between the Company and the Holder (the “Agreement”).

Section 1. Definitions. As used in this Warrant, the following terms shall have the meanings set forth below:

(a) “Additional Shares of Common Stock” means any shares of Common Stock issued (whether from the Company’s treasury or authorized and unissued shares of capital stock) or, as provided in Section 3(f)(i), deemed to be issued by the Company after the Closing Date; provided that, notwithstanding anything to the contrary contained herein, Additional Shares of Common Stock shall not include (a) issuances of Common Stock (including any deemed issuance pursuant to Section 3(f)(i)) that are pursuant to employee benefit plans and compensation-related arrangements approved by the Board (including any duly authorized committee thereof), (b) shares of Common Stock issuable upon the exercise, exchange or conversion of the Convertible Securities outstanding on the initial issuance date of the Warrants (including, without limitation, the Warrants) or (c) securities issued as consideration pursuant to acquisitions of businesses or entities by the Company or its subsidiaries approved by a majority vote of the non-employee members of the Board (but excluding any transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities).

---

(b) “Beneficially Own,” “Beneficially Owned,” or “Beneficial Ownership” shall have the meaning set forth in Rule 13d-3 of the rules and regulations promulgated under the Exchange Act; provided, however, that the Holder shall not be deemed to Beneficially Own any securities owned by its portfolio companies, if applicable, as long as the Holder does not directly or indirectly encourage, assist or provide any information to such portfolio company in respect of the acquisition, disposition or voting of such securities.

(c) “Board” means the Board of Directors of the Company.

(d) “Convertible Securities” means any debt or other evidences of indebtedness, capital stock, rights, options, warrants or other securities directly or indirectly convertible into or exercisable or exchangeable for Common Stock.

(e) “Daily Price” means (i) the closing sale price or, if no closing sale price is reported, the last reported sale price of the shares of Common Stock on the Trading Market on such date, or (ii) if the shares of Common Stock then are not listed and traded on any such securities exchange, the last quoted bid price on such date for the shares of Common Stock in the over-the-counter market. If on any determination date the shares of Common Stock are not quoted by any such organization or such bid price is not available, the Daily Price shall be the fair market value of the shares of Common Stock on such date as determined by a nationally recognized investment bank, appraisal or accounting firm (whose fees and expenses will be paid by the Company) selected by mutual agreement of the Company and the holders of Warrants then exercisable for a majority of the Warrant Shares.

(f) “Fair Market Value” means the value determined (x) by the closing price of the Common Stock on the Trading Market on the determination date; (y) if the determination under (x) is unavailable, mutually by the Board and the Holder; or (z) if the determination under (y) is unavailable, by a nationally recognized investment bank, appraisal or accounting firm (whose fees and expenses will be paid equally by the Company and the Holder) selected by mutual agreement between the Board and the Holder.

(g) “Group” shall have the meaning assigned to it in Section 13(d)(3) of the Exchange Act.

(h) “Maximum Voting Power” means, at the time of determination of the Maximum Voting Power, the total number of votes which may be cast in respect of all capital stock of the Company on the applicable matter subject to the vote of the Common Stock.

(i) “Measurement Date” means, with respect to a transaction, the public announcement of such transaction (or, if no such public announcement is made, the date of consummation of the transaction).

(j) “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.

(k) “Trading Day” means a day on which the Common Stock is traded on a Trading Market.

(l) “Trading Market” means the primary one of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the New York Stock Exchange, NYSE MKT, the Nasdaq Global Market, the Nasdaq Capital Market, or any other recognized exchange or automated quotation system (or any successors to any of the foregoing), and which is initially the Nasdaq Global Market.

Section 2. Exercise.

(a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, in accordance with Section 2(b) and on or before the Termination Date by delivery to the Company of a duly executed facsimile copy of the notice of exercise, in the form annexed hereto (the “Notice of Exercise”) (or such other office or agency of the Company as it may designate by notice in writing to the registered Holder at the address of such Holder appearing on the books of the Company) ; provided, however, within five Trading Days of the date said Notice of Exercise is delivered to the Company, the Holder shall have surrendered this Warrant to the Company and the Company shall have received payment of the aggregate Exercise Price of the shares thereby purchased in the amount and manner specified in Section 2(c).

(b) Vesting of Warrant. The Warrants shall vest and become exercisable in full on June 23, 2017.

(c) Exercise Price. The exercise price of the Common Stock under this Warrant shall be \$1.60 per share (the “Exercise Price”), and is to be paid in cash by wire transfer.

(d) Mechanics of Exercise.

(i) Authorization of Warrant Shares. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon due exercise of the purchase rights represented by this Warrant, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

(ii) Delivery of Certificates Upon Exercise. Certificates for shares purchased hereunder shall be transmitted by the transfer agent of the Company to the Holder by physical delivery to the address specified by the Holder in the Notice of Exercise, or by electronic delivery under the Direct Registration System operated by The Depository Trust Company, within three Trading Days from the receipt by the Company of all of the Notices of Exercise, surrender of this Warrant and payment of the aggregate Exercise Price as set forth above (“Warrant Share Delivery Date”). This Warrant shall be deemed to have been exercised on the date the Company has received all of the Notices of Exercise, this Warrant and the full Exercise Price for the Warrant Shares being purchased upon the exercise. The Warrant Shares shall be deemed to have been issued, and Holder or any other Person so designated to be named therein shall be deemed to have become a holder of record of such shares for all purposes, as of the date the Warrant has been exercised by payment to the Company of the Exercise Price and all taxes required to be paid by the Holder, if any, pursuant to Section 2(d)(vi) prior to the issuance of such shares, have been paid.

(iii) Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, within five Trading Days after the time of delivery of the certificate or certificates, or confirmation of electronic notation, representing Warrant Shares, deliver to Holder a new Warrant evidencing the rights of Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

(iv) Right to Rescind Exercise. If the Company fails to cause its transfer agent to transmit to the Holder a certificate or certificates, or confirmation of electronic notation, representing the Warrant Shares pursuant to this Section 2(d) by the second Trading Day immediately following the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

(v) No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares of Common Stock shall be issued upon the exercise of this Warrant. As to any fraction of a share of Common Stock which Holder would otherwise be entitled to purchase upon such exercise, the Company shall pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price.

(vi) Charges, Taxes and Expenses. Issuance of certificates for Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such certificate, all of which taxes and expenses shall be paid by the Company, and such certificates shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that in the event certificates for Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder; and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any expenses incidental thereto. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise thereof.

(vii) Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

(e) Limitation on Exercise. No Holder will be permitted to exercise the right to purchase Warrant Shares, if and to the extent, following such exercise, either (i) the aggregate voting power of such Holder (or of any Group including such Holder) on a matter being voted on by holders of the Common Stock would exceed 4.99% of the Maximum Voting Power or (ii) such Holder (or any Group including such Holder) would Beneficially Own more than 4.99% of the then outstanding Common Stock. At any time upon the written request of the Holder, the Company shall within two (2) Trading Days confirm in writing to the Holder the number of shares of Common Stock and Maximum Voting Power then outstanding.

Section 3.            Certain Adjustments.

(a)        Changes in Common Stock. In the event that at any time or from time to time after the date hereof, the Company shall (i) pay a dividend or make a distribution on its Common Stock, in each case in shares of its Common Stock, (ii) subdivide its outstanding shares of Common Stock into a larger number of shares of Common Stock, (iii) combine its outstanding shares of Common Stock into a smaller number of shares of Common Stock or (iv) increase or decrease the number of shares of Common Stock outstanding by reclassification of its Common Stock (in each case, other than a transaction to which Section 3(d) is applicable), then the number of shares of Common Stock purchasable upon exercise of this Warrant immediately after the happening of such event shall be adjusted so that, after giving effect to such adjustment, the Holder of this Warrant shall be entitled to receive the number of shares of Common Stock upon exercise that such Holder would have owned or have been entitled to receive had this Warrant been exercised immediately prior to the happening of the events described above (or, in the case of a dividend or distribution of Common Stock, immediately prior to the record date therefor), and the Exercise Price shall be adjusted in inverse proportion. An adjustment made pursuant to this Section 3(a) shall become effective immediately after the effective date, retroactive to the record date therefor in the case of a dividend or distribution in shares of Common Stock, and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification.

(b)        Cash Dividends and Other Distributions. In the event that at any time or from time to time after the date hereof, the Company shall distribute to all holders of Common Stock (i) any dividend or other distribution of cash, evidences of its indebtedness, shares of its capital stock or any other properties or securities, or (ii) any options, warrants or other rights to subscribe for or purchase any of the foregoing (other than, in each case set forth in (i) and (ii), (x) any dividend or distribution described in Section 3(a) or Section 3(e), (y) any rights, options, warrants or other Convertible Securities described in Section 3(c) or (z) in connection with any transaction resulting in the issuance of additional warrants pursuant to Section 3(m)), then (1) the number of shares of Common Stock purchasable upon the exercise of this Warrant shall be increased to a number determined by multiplying the number of shares of Common Stock purchasable upon the exercise of this Warrant immediately prior to the record date for any such dividend or distribution by a fraction, (A) the numerator of which shall be the Fair Market Value per share of Common Stock on the record date for such distribution, and (B) the denominator of which shall be such Fair Market Value per share of Common Stock less the sum of (x) any cash distributed per share of Common Stock and (y) the Fair Market Value of the portion, if any, of the distribution applicable to one share of Common Stock consisting of evidences of indebtedness, shares of stock, securities, other property, options, warrants or subscription or purchase rights and (2) the Exercise Price shall be adjusted to a number determined by dividing the Exercise Price immediately prior to such record date by the above fraction. Such adjustments shall be made whenever any distribution is made and shall become effective as of the date of distribution, retroactive to the record date for any such distribution. No adjustment shall be made pursuant to this Section 3(b) which shall have the effect of decreasing the number of shares of Common Stock purchasable upon exercise of each Warrant or increasing the Exercise Price.

(c) Rights Issue. In the event that at any time or from time to time after the date hereof, the Company shall issue, sell, distribute or otherwise grant any rights to subscribe for or to purchase, or any options or warrants for the purchase of, or any securities exercisable for, or convertible or exchangeable into, Common Stock to all holders of Common Stock, entitling such holders to subscribe for or purchase shares of Common Stock or securities exchangeable for, or convertible or exchangeable into, Common Stock, whether or not immediately exercisable, convertible or exchangeable, as the case may be, and the subscription or purchase price per share of Common Stock or the price per share of Common Stock issuable upon exercise, conversion or exchange thereof is lower at the record date for such issuance than the then Fair Market Value per share of Common Stock, the number of shares of Common Stock thereafter purchasable upon the exercise of this Warrant shall be determined by multiplying the number of shares of Common Stock purchasable upon the exercise of this Warrant prior to the record date by a fraction, (A) the numerator of which shall be the number of shares of Common Stock outstanding on the date of issuance of such rights, options, warrants or other securities plus the number of additional shares of Common Stock offered for subscription or purchase or into or for which such securities are exercisable, convertible or exchangeable, and (B) the denominator of which shall be the number of shares of Common Stock outstanding on the date of issuance of such rights, options, warrants or other securities plus the total number of shares of Common Stock which could be purchased at the Fair Market Value with the aggregate consideration received through the issuance of such rights, options, warrants, or other securities. In the event of any such adjustment, the Exercise Price shall be adjusted to a number determined by dividing the Exercise Price immediately prior to such date of issuance by the above fraction. Such adjustment shall be made whenever such rights, options or warrants are issued and shall become effective retroactively immediately after the record date for the determination of stockholders entitled to receive such rights, options, warrants or securities.

If the Company at any time shall issue two or more securities as a unit and one or more of such securities shall be rights, options or warrants for or securities exercisable for, or convertible or exchangeable into, Common Stock subject to this Section 3(c), the consideration allocated to each such security shall be the relative Fair Market Value thereof as compared to the other security or securities issued as such unit.

(d) Disposition Events. If any of the following events (any such event, a “Disposition Event”) occurs:

- (i) any reclassification or exchange of the Common Stock;
- (ii) any merger, consolidation or other combination to which the Company is a constituent party; or
- (iii) any sale, conveyance, lease, or other disposal of all or substantially all the properties and assets of the Company to any other

Person;

in each case, as a result of which all or substantially all of the holders of Common Stock shall be entitled to receive cash, securities and/or other property for their shares of Common Stock, then, as a condition precedent to such Disposition Event, proper and adequate provision shall be made so that, upon the basis and terms and in the manner provided in this Warrant, the Holder shall be entitled upon the exercise of this Warrant at any time after the consummation of such Disposition Event, to the extent this Warrant is not exercised in full prior to such Disposition Event, to receive at the Exercise Price in effect at the time immediately prior to the consummation of such Disposition Event, in lieu of the Common Stock otherwise issuable upon such exercise of this Warrant prior to such Disposition Event, the kind and amount of cash, securities and/or other property to which such Holder would have been entitled upon the consummation of such Disposition Event (without giving effect to the limitations set forth in Section 2(f) and Section 3(f)(iv)) if such Holder had exercised this Warrant immediately prior thereto. In determining the kind and amount of cash, securities and/or other property receivable upon exercise of this Warrant following the consummation of such Disposition Event, if the holders of Common Stock have the right to elect the kind or amount of consideration receivable upon consummation of such Disposition Event, then the Holder shall have the right to make a similar election upon exercise of this Warrant with respect to the kind and amount of cash, securities and/or other property which the Holder will receive upon exercise of this Warrant. The Company may not cause, or agree to cause or permit to occur, a Disposition Event, unless the issuer of any securities or other property into which this Warrant thereafter becomes exercisable (if other than the Company) agrees, for the express benefit of the holders of record of this Warrant (including making them beneficiaries of such agreement), to issue such securities or other property and to otherwise assume the due and punctual observance and performance of each and every covenant and condition of this Warrant to be performed and observed by the Company and all the obligations and liabilities hereunder. To the extent that equity securities are received by the holders of Common Stock in connection with a Disposition Event, the portion of this Warrant that will be exercisable into such equity securities will continue to be subject to the adjustments set forth in this Section 3. The provisions of this Section 3(d) shall similarly apply to successive Disposition Events. If this Section 3(d) applies to any event or occurrence, neither Section 3(a) nor Section 3(e) shall apply; *provided, however*, that this Section 3(d) shall not apply to any subdivision or combination of shares of Common Stock to which Section 3(a) is applicable.

(e) Adjustment for Certain Tender Offers or Exchange Offers. In case the Company or any of its Subsidiaries shall, at any time or from time to time, while this Warrant is outstanding, distribute cash or other consideration in respect of a tender offer or an exchange offer that is treated as a “tender offer” under U.S. federal securities laws made by the Company or any Subsidiary for all or any portion of the Common Stock, where the sum of the aggregate amount of such cash distributed and the aggregate Fair Market Value as of the Tender Expiration Date (as defined below) of such other consideration distributed (such sum, the “Aggregate Amount”) expressed as an amount per share of Common Stock validly tendered or exchanged, and not withdrawn, pursuant to such tender offer or exchange offer as of the Expiration Time (as defined below) (such tendered or exchanged shares of Common Stock, the “Purchased Shares”) exceeds the Daily Price per share of the Common Stock on the first Trading Day immediately following the last date (such last date, the “Tender Expiration Date”) on which tenders or exchanges could have been made pursuant to such tender offer or exchange offer (as the same may be amended through the Tender Expiration Date), then, effective immediately prior to the opening of business on the second Trading Day immediately following the Tender Expiration Date:

(i) The Exercise Price shall be decreased so that the same shall equal the price determined by multiplying the Exercise Price in effect immediately prior to the close of business on the Trading Day immediately following the Tender Expiration Date by a fraction: (i) the numerator of which shall be equal to the product of (A) the number of shares of Common Stock outstanding as of the Expiration Time (including all Purchased Shares) and (B) the Daily Price per share of the Common Stock on the first Trading Day immediately following the Tender Expiration Date; and (ii) the denominator of which is equal to the sum of (A) the Aggregate Amount and (B) the product of (I) an amount equal to (x) the number of shares of Common Stock outstanding as of the last time (the “Expiration Time”) at which tenders or exchanges could have been made pursuant to such tender offer or exchange offer less (y) the Purchased Shares and (II) the Daily Price per share of the Common Stock on the first Trading Day immediately following the Tender Expiration Date; and

(ii) The number of Warrant Shares issuable upon exercise of this Warrant will be adjusted by multiplying such number by a fraction: (A) the numerator of which shall be the Exercise Price immediately prior to the adjustment pursuant to Section 3(e)(i) and (ii) the denominator of which shall be the Exercise Price immediately after such adjustment.

In the event that the Company or a Subsidiary is obligated to purchase shares of Common Stock pursuant to any such tender offer or exchange offer, but the Company or such subsidiary is permanently prevented by applicable law from effecting any such purchases, or all such purchases are rescinded, then the Exercise Price and number of Warrant Shares issuable shall again be adjusted to be the Exercise Price and number of Warrant Shares issuable which would then be in effect if such tender offer or exchange offer had not been made. Except as set forth in the preceding sentence, if the application of this Section 3(e) to any tender offer or exchange offer would result in an increase in the Exercise Price or reduction in the number of Warrant Shares issuable, no adjustment shall be made for such tender offer or exchange offer under this Section 3(e).

If this Section 3(e) applies to any event, Section 3(b) shall not apply.

(f) Issuance of Additional Shares of Common Stock.

(i) Deemed Issuances of Additional Shares of Common Stock. The maximum number of shares of Common Stock (as set forth in the instrument relating thereto without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise, conversion or exchange of Convertible Securities will be deemed to be Additional Shares of Common Stock issued as of the time of the issuance of such Convertible Securities; provided, however, that:

(A) No adjustment in the Exercise Price will be made upon the subsequent issuance of shares of Common Stock upon the exercise, conversion or exchange of such Convertible Securities;

(B) To the extent that Additional Shares of Common Stock are not issued pursuant to any such Convertible Security upon the expiration or termination of an unissued, unexercised, unconverted or unexchanged Convertible Security, the Exercise Price will be readjusted to the Exercise Price that would have been in effect had such Convertible Security (to the extent outstanding immediately prior to such expiration or termination) never been issued; and

(C) In the event of any change in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any Convertible Security, excluding a change resulting from any transaction giving rise to an adjustment pursuant to Section 3(a) but including periodic or scheduled accretions or adjustments to a Convertible Security, interest and dividends paid in kind, repricings of the exercise or conversion price of such Convertible Securities or otherwise, the Exercise Price then in effect will be readjusted to the Exercise Price that would have been in effect if, on the date of issuance, such Convertible Security were exercisable, convertible or exchangeable for such changed number of shares of Common Stock.

(ii) Determination of Consideration. The Fair Market Value of the consideration received by the Company for the issue of any Additional Shares of Common Stock will be computed as follows:

(A) Cash and Property. Aggregate consideration consisting of cash and other property will: (x) insofar as it consists of cash, be computed at the aggregate of cash received by the Company, excluding amounts paid or payable for accrued interest or accrued dividends; (y) insofar as it consists of property other than cash, be computed at the Fair Market Value thereof on the Measurement Date; and (z) insofar as it consists of both cash and other property, be the proportion of such consideration so received.

(B) Convertible Securities. The aggregate consideration per share received by the Company for Convertible Securities will be determined by dividing: (x) the total amount, if any, received or receivable by the Company as consideration for the issuance of such Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Company upon the full and complete exercise, conversion or exchange of such Convertible Securities, by (y) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the full and complete exercise, conversion or exchange of such Convertible Securities.

(iii) Adjustment of Exercise Price. Subject to Section 3(f)(iv), in the event the Company shall, at any time and from time to time while any of the Warrants is outstanding, issue or sell Additional Shares of Common Stock for a consideration per share, as determined by such consideration's Fair Market Value in accordance with Section 3(f)(ii), less than the Exercise Price in effect immediately prior to such issuance (a "Below Exercise Price Issuance"), then, effective immediately upon the date of such Below Exercise Price Issuance:

(A) the Exercise Price in effect immediately after such Below Exercise Price Issuance shall be reduced so that the same shall equal the price determined by multiplying the Exercise Price in effect immediately prior to such Below Exercise Price Issuance by a fraction: (1) the numerator of which shall be the sum of (a) the number of shares of Common Stock outstanding immediately prior to such Below Exercise Price Issuance; plus (b) (x) the Fair Market Value of the aggregate consideration received by the Company in respect of such Below Exercise Price Issuance, divided by (y) the Exercise Price in effect immediately prior to such Below Exercise Price Issuance, and (2) the denominator of which shall be the sum of (a) the number of shares of Common Stock outstanding immediately prior to such Below Exercise Price Issuance, plus (b) the number of such Additional Shares of Common Stock issued in such Below Exercise Price Issuance; and

(B) the number of Warrant Shares issuable upon exercise of this Warrant shall be adjusted by multiplying such number by a fraction: (A) the numerator of which shall be the Exercise Price immediately prior to the adjustment pursuant to Section 3(f)(iii)(A) and (B) the denominator of which shall be the Exercise Price immediately after such adjustment.

(iv) Limitations. In no event shall any adjustment pursuant to this Section 3(f) (i) cause the Exercise Price to be less than \$1.40 (the “Floor Price”) or the number of Warrant Shares issuable to be greater than the number of Warrant Shares issuable at such Exercise Price, provided that such Floor Price and corresponding number of Warrant Shares issuable shall be adjusted in the same manner as the Exercise Price and number of Warrant Shares issuable to reflect any adjustments made in accordance with this Section 3 (other than adjustments pursuant to this Section 3(f)(iv) or (ii) cause the shares issuable upon exercise of this Warrant, when aggregated with the shares issued in connection with the Exchange Agreement, to exceed 1,791,314 shares.

(g) Other Events. If any event occurs as to which the foregoing provisions of this Section 3 are not strictly applicable or, if strictly applicable, would not, in the good faith judgment of the Board, fairly and adequately protect the purchase rights of the Warrants in accordance with the essential intent and principles of such provisions, then the Board shall make such adjustments in the application of such provisions, in accordance with such essential intent and principles, as shall be reasonably necessary, in the good faith opinion of the Board, to protect such purchase rights as aforesaid.

(h) Superseding Adjustment. Upon the expiration of any rights, options, warrants or conversion or exchange privileges which resulted in any adjustments pursuant to this Section 3 (other than Section 3(f)), if any of the foregoing shall not have been exercised, the number of Warrant Shares purchasable upon the exercise of each Warrant shall be readjusted as if (i) the only shares of Common Stock issuable upon exercise of such rights, options, warrants, conversion or exchange privileges were the shares of Common Stock, if any, actually issued upon the exercise of such rights, options, warrants or conversion or exchange privileges and (ii) shares of Common Stock actually issued, if any, were issuable for the consideration actually received by the Company upon such exercise plus the aggregate consideration, if any, actually received by the Company for the issuance, sale or grant of all such rights, options, warrants or conversion or exchange privileges whether or not exercised and the Exercise Price shall be readjusted inversely; *provided, however*, that no such readjustment shall (except by reason of an intervening adjustment under Section 3(a) or, if applicable, Section 3(g)) have the effect of decreasing the number of Warrant Shares purchasable upon the exercise of each Warrant or increasing the Exercise Price by an amount in excess of the amount of the adjustments to the number of Warrant Shares purchasable and the Exercise Price initially made in respect of the issuance, sale or grant of such rights, options, warrants or conversion or exchange privileges.

(i) Minimum Adjustment. The adjustments required by the preceding Sections of this Section 3 shall be made whenever and as often as any specified event requiring an adjustment pursuant to this Section 3 shall occur, except that no adjustment of the Exercise Price or the number of shares of Common Stock purchasable upon exercise of the Warrants that would otherwise be required shall be made (except in the case of a subdivision or combination of shares of Common Stock, as provided for in Section 3(a)) unless and until such adjustment either by itself or together with all other adjustments pursuant to this Section 3 not previously made as a result of this Section 3(i) increases or decreases by at least one percent (1%) the Exercise Price or the number of shares of Common Stock purchasable upon exercise of the Warrants immediately prior to the making of such adjustment. Any adjustment representing a change of less than such minimum amount shall be carried forward and made as soon as such adjustment, together with other adjustments required by this Section 3 and not previously made, would result in a minimum adjustment. For the purpose of any adjustment, any specified event shall be deemed to have occurred at the close of business on the date of its occurrence. In computing adjustments under this Section 3, fractional interests in Common Stock shall be taken into account to the nearest one-hundredth of a share.

(j) Other Provisions Regarding Adjustments. In the event that at any time, as a result of an adjustment made pursuant to Section 3(a) hereof, the Holder shall become entitled to receive any shares of capital stock of the Company other than shares of Common Stock, thereafter the number of such other shares of capital stock so receivable upon exercise of this Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in this Section 3 and the provisions contained elsewhere herein with respect to Common Stock shall apply on like terms to any such other shares.

(k) Notice of Adjustment. Whenever the Exercise Price or the number of shares of Common Stock and other property, if any, purchasable upon exercise of Warrants is adjusted, as herein provided, the Company shall promptly deliver to the Holder a certificate of a firm of independent accountants (who may be the regular accountants employed by the Company) or the Chief Financial Officer of the Company setting forth, in reasonable detail, the event requiring the adjustment and the method by which such adjustment was calculated (including a description of the basis on which the Board determined the Fair Market Value of any evidences of indebtedness, other securities or property or warrants or other subscription or purchase rights), and specifying the Exercise Price and the number of shares of Common Stock or other securities or property purchasable upon exercise of Warrants after giving effect to such adjustment.

(l) Notice of Certain Transactions. In the event that the Company shall resolve or agree to take any action or permit any event to occur that would require any adjustment of the number of Warrant Shares subject to this Warrant or the Exercise Price, the Company shall within five (5) Business Days send to the Holder, a notice of such proposed action or offer, such notice to be mailed to the Holder, which shall specify the record date for the purposes of such dividend, distribution or rights, or the date such action or event is to take place and the date of participation therein by the holders of Common Stock, if any such date is to be fixed, and shall briefly indicate the effect of such action or event on the Common Stock and on the number and kind of any other shares of stock and on other property, if any, and the number of shares of Common Stock and other securities or property, if any, purchasable upon exercise of each Warrant and the Exercise Price after giving effect to any adjustment which will be required as a result of such action or event.

(m) Issuance of Additional Warrants. In connection with the declaration, issuance or consummation of any dividend, spin-off or other distribution or similar transaction by the Company of the capital stock of any of its Subsidiaries, the Company shall cause (i) additional warrants of such Subsidiary with, subject to clause (iii) below, substantially similar terms as the Warrants, to be issued to the Holder or one or more of its nominees so that after giving effect to such transaction the Warrants and such warrants of such Subsidiary each represent the same percentage interest in the fully diluted number of common shares of such entity as the Warrants represented in the Company immediately prior to such transaction, and (ii) (A) the exercise price of the Warrants to be reduced by an amount reasonably acceptable to the Holder to reflect the value of the capital stock of the Subsidiary to be dividended, spun-off or otherwise distributed and (B) the exercise price of the additional warrants of such Subsidiary to be fixed in a manner reasonably acceptable to such Holder to reflect the amount by which the exercise price of the Warrants was reduced pursuant to clause (iii)(A) above, as adjusted to reflect any differences in the fully-diluted number of the shares of common stock of the Company and such Subsidiary.

Section 4. Transfer of Warrant.

(a) Transferability. Subject to compliance with any applicable securities laws and the conditions set forth in Sections 5(a) and 4(d) hereof, this Warrant and all rights hereunder are transferable, in whole or in part, but only with the prior written consent of the Company, not to be unreasonably withheld, upon surrender of this Warrant at the principal office of the Company, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion, if any, of this Warrant not so assigned, and this Warrant shall promptly be cancelled. A Warrant, if properly assigned, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

(b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice.

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

(d) Transfer Restrictions. If, at the time of the surrender of this Warrant in connection with any transfer of this Warrant, the transfer of this Warrant shall not be registered pursuant to an effective registration statement under the Securities Act and under applicable state securities or blue sky laws, the Company may require, as a condition of allowing such transfer (i) that the Holder or transferee of this Warrant, as the case may be, furnish to the Company a written opinion of counsel (which opinion shall be in form, substance and scope customary for opinions of counsel in comparable transactions) to the effect that such transfer may be made without registration under the Securities Act and under applicable state securities or blue sky laws, (ii) that the Holder or transferee execute and deliver to the Company an investment letter and (iii) that the transferee provide evidence satisfactory to the Company, its reasonable discretion, that such transferee is an “accredited investor” as defined in Rule 501(a) promulgated under the Securities Act or a qualified institutional buyer as defined in Rule 144A(a) under the Securities Act.

Section 5. Miscellaneous.

(a) Title to Warrant. Prior to the Termination Date and subject to compliance with applicable laws and Section 4 of this Warrant, this Warrant and all rights hereunder are transferable, in whole or in part, at the office or agency of the Company by the Holder in person or by duly authorized attorney, upon surrender of this Warrant together with the Assignment Form annexed hereto properly endorsed and the legal opinion required under Section 4(d), if required by the Company. The transferee shall sign an investment letter to the Company.

(b) No Rights as Shareholder Until Exercise. This Warrant does not entitle the Holder to any voting rights or other rights as a shareholder of the Company prior to the exercise hereof. Upon the surrender of this Warrant and the payment of the aggregate Exercise Price, the Warrant Shares so purchased shall be and be deemed to be issued to such Holder as the record owner of such shares as of the close of business on the later of the date of such surrender or payment.

(c) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

(d) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday, Sunday or a legal holiday, then such action may be taken or such right may be exercised on the next succeeding day not a Saturday, Sunday or legal holiday.

(e) Authorized Shares. The Company covenants that during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of executing stock certificates to execute and issue the necessary certificates for the Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed.

Except as, and to the extent, waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (a) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (b) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant, and (c) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof as may be necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

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

(g) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, will have restrictions upon resale imposed by state and federal securities laws and will contain a restrictive legend substantially in the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE 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, 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.

(h) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice Holder's rights, powers or remedies, notwithstanding the fact that all rights hereunder terminate on the Termination Date. If the Company fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

(i) Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the Company shall be delivered to Holder at its last address as it shall appear upon the Warrant Register of the Company.

(j) Limitation of Liability. No provision hereof, in the absence of any affirmative action by Holder to exercise this Warrant or purchase Warrant Shares, and no enumeration herein of the rights or privileges of Holder, shall give rise to any liability of Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

(k) Remedies. Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive the defense in any action for specific performance that a remedy at law would be adequate.

(l) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of all Holders from time to time of this Warrant and shall be enforceable by any such Holder.

(m) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

(n) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

(o) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

*[Signature page follows]*

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by an authorized officer as of the day and year first above written.

CINEDIGM CORP.

By:

\_\_\_\_\_  
Name: Gary S. Loffredo  
Title: Executive Vice President

---

**NOTICE OF EXERCISE**

TO: Cinedigm Corp.

(1) The undersigned hereby elects to purchase \_\_\_\_\_ Warrant Shares of the Company pursuant to the terms of the attached Warrant, and tenders herewith payment of the Exercise Price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form lawful money of the United States by wire transfer or cashier's check drawn on a United States bank.

(3) Please issue a certificate or certificates representing said Warrant Shares in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_

The Warrant Shares shall be delivered to the following:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name of Investor:

\_\_\_\_\_

Signature of Authorized Signatory of Investor:

\_\_\_\_\_

Name of Authorized Signatory:

\_\_\_\_\_

Title of Authorized Signatory:

\_\_\_\_\_

SSN or Tax ID of Investor:

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

**ASSIGNMENT FORM**

(To assign the foregoing note, execute this form and supply required information. Do not use this form to exercise the note.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to \_\_\_\_\_, whose address is

\_\_\_\_\_  
\_\_\_\_\_.

Dated: \_\_\_\_\_

Holder's Signature: \_\_\_\_\_

Holder's Address: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

NOTE: The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank or trust company. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

\_\_\_\_\_

**EXCHANGE AGREEMENT**

**THIS EXCHANGE AGREEMENT** (the “Agreement”) is dated December 22, 2016, by and between Cinedigm Corp., a Delaware corporation (the “Company”), and Cap 1 LLC, a Delaware limited liability company (“Holder”).

**RECITALS:**

WHEREAS, the Holder holds \$3,429,000 principal amount (the “Notes”) of the Company’s 5.5% convertible notes due 2035 (“Convertible Notes”);

WHEREAS, subject to the terms and conditions set forth in this Agreement, the Company and the Holder desire to exchange the Holder’s Notes for 450,000 shares (the “Shares”) of Class A common stock of the Company, par value \$0.001 per share (the “Common Stock”) and warrants with terms set forth below (the “Warrants”) to purchase 200,000 shares of Common Stock (the “Warrant Shares”).

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each Holder hereby agree as follows:

**ARTICLE I****DEFINITIONS**

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms have the meanings set forth in this Section 1.1:

“Affiliate” has the meaning ascribed thereto in Rule 405 promulgated under the Securities Act.

“Board of Directors” means the board of directors of the Company.

“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.

“Certificate of Incorporation” means the Company’s Fourth Amended and Restated Certificate of Incorporation, as amended to date.

“Closing” means the closing of the Exchange pursuant to Article 2.

“Closing Date” means the date of this Agreement, or such other date as is mutually agreed by the Company and the Holder.

---

“Commission” means the United States Securities and Exchange Commission.

“Common Stock” has the meaning ascribed thereto in the recitals.

“Company 2016 Balance Sheet” has the meaning ascribed thereto in Section 3.6.

“Company Consolidated Financial Statements” has the meaning ascribed thereto in Section 3.6.

“Convertible Notes” has the meaning ascribed thereto in the recitals.

“Exchange” means the exchange of the Convertible Notes for the Exchange Consideration.

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

“Exchange Consideration” means the Shares and the Warrants issued to the Holder in the Exchange in consideration for its Convertible Notes pursuant to this Agreement.

“GAAP” has the meaning ascribed thereto in Section 3.6.

“Indenture” means the Indenture dated as of April 29, 2015 between the Company and U.S. Bank National Association as Trustee.

“Interest Due” means, with respect to the Convertible Notes exchanged by the Holder, the amount of accrued but unpaid interest thereon, accrued through the Closing Date.

“Material Adverse Effect” means an event that results in or causes a material adverse change in any of (a) the condition (financial or otherwise), business, performance, operations or property of the Company and its material subsidiaries, taken as a whole, (b) the ability of any of the Company to perform its obligations under the Transaction Documents or (c) the validity or enforceability of any Transaction Document or the rights and remedies of the Holder.

“Notes” has the meaning ascribed thereto in the recitals.

“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.

“Registration Statement” has the meaning ascribed thereto in Section 6.3(b).

“Remaining Shares” has the meaning ascribed thereto in Section 6.3(b).

“Restricted Amount” has the meaning ascribed thereto in Section 6.4(a).

“Restricted Period” has the meaning ascribed thereto in Section 6.4(a).

“Revolving Credit Agreement” means the Second Amended and Restated Credit Agreement, dated as of April 29, 2015, among the Company, the Lenders party thereto, Société Générale, as Administrative Agent, and CIT Bank, N.A., as Collateral Agent, as amended to date and from time to time.

“Rule 144” means Rule 144 promulgated by the Commission 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 Commission having substantially the same effect as such Rule.

“SEC Reports” has the meaning ascribed thereto in Section 3.6.

“Second Lien Loan Agreement” means the Second Lien Loan Agreement, dated as of July 14, 2016, among the Company, the Lenders party thereto, and Cortland Capital Market Services LLC, as Agent, as amended to date and from time to time.

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

“Shares” has the meaning ascribed thereto in the recitals.

“Trading Market” means the primary one of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the New York Stock Exchange, NYSE MKT, the Nasdaq Global Market, the Nasdaq Capital Market, or any other recognized exchange or automated quotation system (or any successors to any of the foregoing), and which is initially the Nasdaq Global Market.

“Transaction Documents” means this Agreement and the Warrants.

“Transactions” means the Exchange and the issuance of Warrant Shares upon due exercise, including payment of the requisite exercise price, of the Warrants.

“Transfer Agent” means American Stock Transfer & Trust Co., the current transfer agent of the Company, and any successor transfer agent of the Company.

“Trustee” means U.S. Bank, National Association, as Trustee under the Indenture.

“Unlegended Shares” has the meaning ascribed thereto in Section 6.3(a).

“Waivers” has the meaning ascribed thereto in Section 2.3(a).

“Warrants” has the meaning ascribed thereto in the recitals.

## ARTICLE II

### EXCHANGE

2.1 The Exchange. At the Closing of the Exchange contemplated hereby, the Holder shall surrender to the Company the Notes in exchange for the Shares and the Warrants. Upon satisfaction of the covenants and conditions set forth in Section 2.3 and on such date as is mutually agreed upon by the parties, the Closing shall occur at the offices of Company Counsel or such other location as the parties shall mutually agree.

2.2 Interest Due. Effective upon the Closing, the Company shall pay to the Holder in cash the Interest Due on the Notes as of the Closing Date.

2.3 Conditions. The respective obligations of both the Company and the Holders hereunder in connection with the Closing are subject to the following conditions being met:

(a) the lenders under each of the Revolving Credit Facility and the Second Lien Loan Agreement shall have given a waiver (the “Waivers”) with respect to effecting the Exchange; and

(b) the Company’s application to the Nasdaq for the listing of the additional shares of the Shares and the Warrant Shares shall have been approved.

2.4 Closing Deliveries.

(a) At the Closing, the Company shall deliver or cause to be delivered to the Holder the following:

(i) this Agreement duly executed by the Company;

(ii) irrevocable instructions to the Transfer Agent to issue the Unlegended Shares required to be issued under Section 2.1, registered to Cap 1 LLC, as designated by Holder;

(iii) the Warrants required to be issued under Section 2.1, registered to Cap 1 LLC, as designated by Holder; and

(iv) the Interest Due as of the Closing Date.

(b) At the Closing, the Holder shall deliver or cause to be delivered to the Company, the following:

(i) this Agreement duly executed by the Holder; and

(ii) irrevocable instructions to the Trustee under the Indenture with respect to the surrender to the Company of the Holder’s Notes or other proof of DWAC transfer of the Notes to the Company or the Company’s designee.

(c) As soon after the Closing as practicable, when the Registration Statement has been declared effective by the Commission, the Company shall deliver or cause to be delivered the Remaining Shares, registered to Cap 1 LLC, as designated by Holder.

2.5 No Additional Consideration. The Exchange Consideration shall be issued to the Holder solely in exchange for the surrender of the Notes by the Holder, and the Holder shall not pay or be required to pay any additional consideration to the Company in order to effectuate the issuance of the Exchange Consideration due to the Holder.

2.6 Extinguishment of Notes. It is intended that, upon the consummation of the Exchange:

(i) the Company will surrender the Notes to the Trustee under the Indenture for cancellation; and

(ii) the Notes surrendered hereunder shall be cancelled and shall be null and void, and any and all rights arising thereunder shall be extinguished and the Company shall no longer be required to reserve shares of Common Stock for issuance upon the conversion of such Notes.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES OF THE COMPANY

3.1 Authorization and Binding Obligation. The Company has the requisite power and authority to enter into and perform its obligations under the Transaction Documents and to complete the Transactions, in accordance with the terms thereof. The execution and delivery of the Transaction Documents by the Company and the consummation by the Company of the Transactions, have been duly authorized by all necessary corporate action by the Company and no further filing, consent, or authorization is required by the Company, its Board of Directors or its stockholders. The Transaction Documents have been duly executed and delivered by the Company, and each constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies and except as rights to indemnification and to contribution may be limited by federal or state securities laws.

3.2 No Conflict. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the Transactions will not (i) result in a violation of the Certificate of Incorporation, or other organizational document of the Company or any of its subsidiaries, any capital stock of the Company or any of its subsidiaries or bylaws of the Company or any of its subsidiaries, (ii) conflict with, or 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 to which the Company or any of its subsidiaries is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including foreign, federal and state securities laws) and applicable to the Company or any of its subsidiaries or by which any property or asset of the Company or any of its subsidiaries is bound or affected except, in the case of clause (ii) or (iii) above, to the extent such violations that could not reasonably be expected to have a material adverse effect on the Company or its subsidiaries, and taking into account the Waivers required in Section 2.3(a).

3.3 Securities Law Exemption. Assuming the accuracy of the representations and warranties of the Holder contained herein, the offer and issuance by the Company of the Shares, the Warrants and the Warrant Shares as contemplated by the Transaction Documents are exempt from registration under the Securities Act.

3.4 Issuance of Shares and Warrant Shares. (i) Upon issuance of the Shares in accordance with the terms of this Agreement and the Warrant Shares in accordance with the terms, including payment of exercise price, of the Warrants, the Shares and the Warrant Shares will be validly issued, fully paid and non-assessable and free from all taxes, liens, charges and other encumbrances with respect to the issuance thereof and shall not be subject to any preemptive, participation, rights of first refusal and other similar rights.

3.5 No Integrated Offering. Except as contemplated by this Agreement, the Company has not sold or issued, nor will sell or issue any securities that would be integrated with the offering of the Shares and Warrants contemplated by this Agreement pursuant to the Securities Act and the rules and regulations or the interpretations thereunder of the Commission.

3.6 SEC Reports; Financial Statements.

The Company has timely filed, or cured any defect relating to timely filing, all registration statements, forms, reports, definitive proxy statements, schedules and other documents and filings required to be filed by it under the Securities Act or the Exchange Act, as the case may be (the "SEC Reports") since January 1, 2016. None of the Company's subsidiaries is required to file periodic reports with the Commission pursuant to the Exchange Act. Each SEC Report (i) as of the time it was filed (or if subsequently amended, when amended), complied in all material respects with the requirements of the Securities Act or the Exchange Act, as the case may be, and (ii) did not, at the time it was filed (or if subsequently amended or superseded by an amendment or other SEC Report, then, on the date of such subsequent filing), contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

The Company's consolidated financial statements (including, in each case, any notes thereto) contained in the Form 10-K for the fiscal year ended March 31, 2016 (the "Company Consolidated Financial Statements") were prepared in accordance with generally accepted accounting principles as in effect in the United States of America ("GAAP"), applied on a consistent basis throughout the periods indicated (except as may be indicated in the notes thereto or as may have been required by regulatory accounting principles applicable to the Company or, in the case of interim consolidated financial statements, where information and footnotes contained in such financial statements are not required to be in compliance with GAAP), and in each case such Company Consolidated Financial Statements fairly presented, in all material respects, the consolidated financial position, results of operations, cash flows and shareholders' equity of the Company and its consolidated subsidiaries as of the respective dates thereof and for the respective periods covered thereby (subject, in the case of unaudited financial statements, to normal year-end adjustments which were not and which are not expected to be, individually or in the aggregate, material to the Company and its consolidated subsidiaries taken as a whole).

Except as set forth in the SEC Reports, including without limitation, the risk factors contained therein, and except as and to the extent set forth on the consolidated balance sheet of the Company as of March 31, 2016 (the “Company 2016 Balance Sheet”), between March 31, 2016 and the date hereof neither the Company nor any of its consolidated subsidiaries has incurred any debts, liabilities or obligations (whether accrued, absolute, contingent, liquidated or otherwise, whether due or to become due) of a nature that would be required to be reflected on a balance sheet or in notes thereto prepared in accordance with GAAP consistently applied, except for liabilities or obligations (i) that, in the aggregate, are adequately provided for in the Company 2016 Balance Sheet, or (ii) incurred in the ordinary course of business between March 31, 2016 and the date hereof that would not, individually or in the aggregate, have any material adverse effect on (x) the business, financial condition, results of operations or assets of the Company and its subsidiaries taken as a whole, or (y) the ability of the Company to consummate the transactions contemplated by this Agreement.

3.7 Exchange Act Registration, Trading Market.

The Common Stock is registered pursuant to Section 12(b) of the Exchange Act and is listed on the Trading Market, and other than as disclosed in the SEC Reports, the Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or delisting the Common Stock from the Trading Market, nor has the Company received any notification that the Securities and Exchange Commission or the Trading Market is contemplating terminating such registration or listing.

3.8 Proceedings. The Company knows of no proceedings relating to the Convertible Notes that are pending or threatened before any court, arbitrator or administrative or governmental body that would adversely affect such the completion of the Transactions.

3.9 Absence of Broker’s Fees. Neither the Company nor any of its officers or directors has retained or authorized any investment banker, broker, finder or other intermediary to act on behalf of the Company or incurred any liability for any banker’s, broker’s or finder’s fees or commissions in connection with the Exchange.

#### ARTICLE IV

#### REPRESENTATIONS AND WARRANTIES OF THE HOLDERS

As a material inducement to the Company to enter into this Agreement and consummate the exchange, the Holder represents, warrants and covenants with and to the Company as follows:

4.1 Authorization and Binding Obligation. The Holder has the requisite legal capacity, power and authority to enter into, and perform is obligations under, each Transaction Document to which it is a party. Each of the execution, delivery and performance of each such Transaction Document by the Holder, and the consummation by the Holder of the Transactions to which it is a party, have been duly authorized by all requisite corporate action on the part of the Holder, as applicable, and no further consent or authorization is required. Each Transaction Document to which the Holder is a party has been duly authorized, executed and delivered by such Holder, and constitutes the legal, valid and binding obligations of the Holder, enforceable against such Holder in accordance with its terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies and except as rights to indemnification and to contribution may be limited by federal or state securities laws.

4.2 Beneficial Owner.

(a) The Holder owns, beneficially and of record, good and marketable title to Notes being exchanged pursuant to this Agreement, free and clear of any taxes or encumbrances; and at the Closing, the Holder will convey to the Company good and marketable title to the Notes surrendered by the Holder in their entirety, free and clear of any security interests, liens, adverse claims, taxes or encumbrances.

(b) The Holder is not an Affiliate of the Company. The Holder has beneficially owned Notes having an aggregate principal amount of \$1,629,000, fully paid, for at least one year as of the date hereof. The Holder represents that (i) with respect to Unlegended Shares, if the Holder subsequently becomes an Affiliate of the Company, the Holder will submit any Unlegended Shares it holds to the Company for legending and (ii) with respect to the Remaining Shares or Warrants Shares included in the Registration Statement, if the Registration Statement becomes unavailable to the Holder, the Holder will submit any such Remaining Shares or Warrant Shares it holds to the Company for legending or re-legending, unless the legend could otherwise be removed from such Shares or Warrant Shares based on the Holder not being Affiliate of the Company and having held such Remaining Shares or Warrant Shares for at least one year, fully paid, subject to any applicable tacking of the Holder's holding period of the Notes to such Shares or Warrant Shares.

4.3 Experience of Investor. The Holder, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the Exchange, and has evaluated the merits and risks thereof. Such Holder is able to bear the economic risk of an investment in the Exchange Consideration and, at the present time, is able to afford a complete loss of such investment. The Holder qualifies as a qualified institutional buyer as defined in Rule 144A of the Securities Act.

4.4 Disclosure of Information. The Holder has access to and has reviewed the Company's SEC Reports, including the "Risk Factors" contained therein. The Holder has had the opportunity to ask questions of and receive answers from the Company regarding the Company, its business and the terms and conditions of the offering of the Shares and Warrants.

4.5 Restricted Securities. Each Holder understands that the Shares and Warrants are characterized as “restricted securities” as that term is defined under Rule 144 of the Securities Act and have not been registered under the Securities Act or any applicable state securities law, and may not be resold without registration under the Securities Act or the existence of an exemption therefrom. Each Holder represents that it is familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act. Each Holder agrees and acknowledges that, in connection with the transfer of any portion of, or all of, the Exchange Consideration, the Company may require the Holder to provide the Company an opinion of counsel selected by the Holder and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Shares or Warrants under the Securities Act.

4.6 Legends. Each Holder agrees to the imprinting of a legend on the Shares and Warrants, or certificates evidencing such securities, in substantially the following form:

THIS SECURITY HAS 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, 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.

4.7 Proceedings. Such Holder knows of no proceedings relating to the Convertible Notes that are pending or threatened before any court, arbitrator or administrative or governmental body that would adversely affect the completion of the Transactions.

4.8 Tax Consequences. Such Holder acknowledges that the Exchange may involve tax consequences to such Holder, and that the contents of this Agreement do not contain tax advice. Such Holder acknowledges that it has not relied and will not rely upon the Company or any other Holder with respect to any tax consequences related to the Exchange. Such Holder assumes full responsibility for all such consequences and for the preparation and filing of any tax returns and elections which may or must be filed in connection with its beneficial ownership of the Notes or the Exchange.

4.9 Absence of Broker's Fees. Neither such Holder nor any of its officers, directors, partners, managers or similar Persons has retained or authorized any investment banker, broker, finder or other intermediary to act on behalf of such Holder or incurred any liability for any banker's, broker's or finder's fees or commissions in connection with the Exchange.

4.10 Reliance on Exemptions. Such Holder understands that the Shares, the Warrants and the Warrant Shares are being offered and exchanged in reliance on specific exemptions from the registration requirements of United States federal and state securities laws, and that the Company is relying in part upon the truth and accuracy of, and such Holder's representations, and compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Holder set forth herein in order to determine the availability of such exemptions and the eligibility of each Holder to acquire the Shares, the Warrants and the Warrant Shares.

## ARTICLE V

### WARRANTS

5.1 Warrants. The Warrants shall have the terms set forth therein, substantially in the form attached hereto as Exhibit A.

## ARTICLE VI

### COVENANTS AND OTHER AGREEMENTS

6.1 Holding Period. For the purposes of Rule 144, the Company acknowledges that the Holder's holding period of the Notes may be tacked onto the holding period of the Shares, and the Company agrees not to take a position contrary to this Section 6.1.

6.2 Acceptance of Holder's Counsel's Rule 144 Opinion. The Company covenants that it shall give specific authorization to the Transfer Agent and its legal counsel that the Transfer Agent may accept a Holder's legal counsel's Rule 144 opinion with regard to sale of the Shares, in accordance with and subject to the review process in the last sentence of this Section 6.2, as long as such Holder holds any of the Shares; provided that the Transfer Agent shall be instructed to contact the Company for approval of all opinions before giving effect to the removal of any restrictive legends therefrom. The Company shall be allowed two (2) Business Days to review an opinion and if no objection is affirmatively raised then the Company's approval shall be deemed given.

6.3 Removal of Restrictive Legends. Notwithstanding Section 4.6 hereof, Shares or Warrant Shares may be issued or reissued, as applicable, without a restrictive legend as follows:

(a) 213,779 Shares (the "Unlegended Shares") shall be issued at Closing without any restrictive legend, based on the available tacking of the holding period under Section 6.1 of aggregate principal amount of \$1,629,000 of Notes, in reliance on representations made by the Holder in Section 4 hereof;

(b) The Company agrees to include the resale of the 236,221 Shares other than the Unlegended Shares (the “Remaining Shares”) and Warrant Shares by the Holder in its Registration Statement on Form S-1, Registration No. 333-214486 (the “Registration Statement”), which is currently pending before the Securities and Exchange Commission and is expected to be declared effective within approximately two weeks after the date hereof;

(c) Restrictive legends shall be removed from Remaining Shares promptly upon the effectiveness thereof, in reliance on representations made by the Holder in Section 4 hereof;

(d) So long as the Registration Statement is effective and upon exercise in accordance with the Warrants, Warrant Shares may be issued without any restrictive legend, in reliance on representations made by the Holder in Section 4 hereof.

6.4 Restrictions on Resale of Common Stock.

(a) Holder covenants that, during the period commencing on the date hereof and ending on December 22, 2017 (the “Restricted Period”), neither the Holder, nor any of its Affiliates, collectively, will sell, in sales pursuant to Rule 144 or pursuant to an effective registration statement, more than an aggregate of 75,000 Shares and/or Warrant Shares in any calendar month (the “Restricted Amount”).

(b) Notwithstanding anything herein to the contrary, during the Restricted Period, the Holder may, directly or indirectly, sell or transfer all, or any part, of the Shares, Warrants and/or Warrant Shares to any Person (an “Assignee”) without complying with (or otherwise limited by) the restrictions set forth in this Section 6.3; provided, that as a condition to any such sale or transfer an authorized signatory of the Company and such Assignee duly execute and deliver an agreement in a form satisfactory to the Company pursuant to which (i) the Assignee becomes subject to the restrictions set forth in Section 6.3(a) and (ii) sales by the Holder and its Affiliates and all Assignees and their Affiliates shall be aggregated for all purposes of this Section 6.3.

(c) Notwithstanding anything herein to the contrary, such number of the Unlegended Shares as is necessary to cover short positions of the Holder in the Common Stock as of the date hereof may be excluded from the calculation of the Restricted Amount applicable to December 2016 and January 2017.

## ARTICLE VII

### MISCELLANEOUS

7.1 Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City and County of New York, 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. 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 WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

7.2 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together will constitute one and the same Agreement. This Agreement, to the extent delivered by means of a facsimile machine or electronic mail (any such delivery, an “Electronic Delivery”), shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto, each other party hereto shall re-execute original forms hereof and deliver them in person to all other parties. No party hereto shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent such defense related to lack of authenticity.

7.3 Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

7.4 Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

7.5 Entire Agreement; Amendments. This Agreement supersedes all other prior oral or written agreements between the Holder, the Company, their affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement (together with the other Transaction Documents), contains the entire understanding of the parties with respect to the matters covered herein and, except as specifically set forth herein, neither the Company nor the Holder makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be amended other than by an instrument in writing signed by the Parties, and any amendment to this Agreement made in conformity with the provisions of this Section shall be binding upon the parties. No provision hereof may be waived other than by an instrument in writing signed by the party against whom enforcement is sought.

7.6 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Exchange Consideration.

7.7 Notices. 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 (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one Business Day after deposit with an overnight courier service, in each case properly addressed to the party to receive the same. The addresses for such communications shall be:

If to the Company:

Cinedigm Corp.  
902 Broadway, 9th Floor  
New York, NY 10010  
Telephone: (212) 206-8600  
Facsimile: (212) 598-4895  
Attention: General Counsel  
Email: [gloffredo@cinedigm.com](mailto:gloffredo@cinedigm.com)

With a copy to:

Kelley Drye & Warren LLP  
101 Park Avenue  
New York, New York 10178  
Telephone: (212) 808-7800  
Facsimile: (212) 808-7897  
Attention: Jonathan K. Cooperman, Esq.  
Email: [jcooperman@kelleydrye.com](mailto:jcooperman@kelleydrye.com)

If to the Holder:

Summer Road LLC  
655 Madison Avenue 19<sup>th</sup> Floor  
New York, New York 10065  
Telephone: (212) 317-4114  
Facsimile: ( ) -  
Attention: Richard Silberberg  
Email: rs@srlc.com; ops@srlc.com

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone: ( ) -  
Facsimile: ( ) -  
Attention: \_\_\_\_\_  
Email: \_\_\_\_\_

7.8 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of a majority of the Holders. Each Holder may assign some or all of its rights hereunder without the consent of the Company, except as may be inconsistent with the terms of this Agreement.

7.9 Construction.

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. No specific representation or warranty shall limit the generality or applicability of a more general representation or warranty.

For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neutral genders; the feminine gender shall include the masculine and neutral genders; and the neutral gender shall include the masculine and feminine genders.

Each and every reference to share prices and shares of Common Stock in the Transaction Documents shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

*[signature pages follow]*

**IN WITNESS WHEREOF**, the Holders and the Company have caused their respective signature pages to this Agreement to be duly executed as of the date first written above.

**COMPANY:**

**CINEDIGM CORP.**

By: /s/ Gary S. Loffredo

Name: Gary S. Loffredo

Title: Executive Vice President

*[signature page to Exchange Agreement]*

---

**HOLDER:**

Cap 1 LLC

By: /s/ Stephen A. Ives  
Name: Stephen A. Ives  
Title: vice President

For Issuance of Shares and Warrants:

Registered Name: Cap 1 LLC  
Address:  
14000 Quail Springs Parkway  
Suite 2200  
Oklahoma City, OK 73134

Federal Tax ID:

45-2504199

*[signature page to Exchange Agreement]*

---

**EXHIBIT A**  
**FORM OF WARRANTS**

---

**EXCHANGE AGREEMENT**

**THIS EXCHANGE AGREEMENT** (the “Agreement”) is dated December 23, 2016, by and between Cinedigm Corp., a Delaware corporation (the “Company”), and Sageview Capital Master, L.P., a Cayman Islands exempted limited partnership (“Holder”).

**RECITALS:**

WHEREAS, the Holder holds warrants the (“Warrants”) to purchase 1,773,462 shares of Class A common stock of the Company, par value \$0.001 per share (the “Common Stock”);

WHEREAS, subject to the terms and conditions set forth in this Agreement, the Company and the Holder desire to exchange the Warrants for \$5,000 in cash (the “Payment”).

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Holder hereby agree as follows:

**ARTICLE I****DEFINITIONS**

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms have the meanings set forth in this Section 1.1:

“Board of Directors” means the board of directors of the Company.

“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.

“Certificate of Incorporation” means the Company’s Fourth Amended and Restated Certificate of Incorporation, as amended to date.

“Closing” means the closing of the Exchange pursuant to Article 2.

“Common Stock” has the meaning ascribed thereto in the recitals.

“Exchange” means the exchange of the Warrants for the Payment.

“Payment” has the meaning ascribed thereto in the recitals.

“Waivers” has the meaning ascribed thereto in Section 2.2(a).

“Warrants” has the meaning ascribed thereto in the recitals.

---

## ARTICLE II

### EXCHANGE

2.1 The Exchange. At the Closing of the Exchange contemplated hereby, the Holder shall surrender to the Company the Warrants in exchange for the Payment. Upon satisfaction of the covenants and conditions set forth in Section 2.3 and on such date as is mutually agreed upon by the parties, the Closing shall occur at the offices of Company's counsel at 101 Park Avenue, New York, New York or such other location as the parties shall mutually agree.

2.2 Conditions. The respective obligations of both the Company and the Holder hereunder in connection with the Closing are subject to the following conditions being met:

(a) the lenders under each of the Revolving Credit Facility and the Second Lien Loan Agreement shall have given a waiver (the "Waivers") with respect to effecting the Exchange.

2.3 Closing Deliveries.

(a) At the Closing, the Company shall deliver or cause to be delivered to the Holder the following:

(i) this Agreement duly executed by the Company;

(ii) the Payment, by check or by wire transfer.

(b) At the Closing, the Holder shall deliver or cause to be delivered to the Company, the following:

(i) this Agreement duly executed by the Holder.

2.4 Extinguishment of Warrants. The parties hereto acknowledge that, although the original Warrants issued to the Holder will not be physically delivered to the Company at the Closing, upon the consummation of the Exchange, the Warrants shall be cancelled and shall be null and void, and any and all rights arising thereunder shall be extinguished and the Company shall no longer be required to reserve shares of Common Stock for issuance upon the exercise of the Warrants.

## ARTICLE III

### REPRESENTATIONS AND WARRANTIES OF THE COMPANY

3.1 Authorization and Binding Obligation. The Company has the requisite power and authority to enter into and perform its obligations under this Agreement and to complete the Exchange, in accordance with the terms thereof. The execution and delivery of this Agreement by the Company and the consummation by the Company of the Exchange, have been duly authorized by all necessary corporate action by the Company and no further filing, consent, or authorization is required by the Company, its Board of Directors or its stockholders. The Agreement has been duly executed and delivered by the Company, and constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies and except as rights to indemnification and to contribution may be limited by federal or state securities laws.

3.2 No Conflict. The execution, delivery and performance of the Agreement by the Company and the consummation by the Company of the Exchange will not (i) result in a violation of the Certificate of Incorporation, or other organizational document of the Company or any of its subsidiaries, any capital stock of the Company or any of its subsidiaries or bylaws of the Company or any of its subsidiaries, (ii) conflict with, or 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 to which the Company or any of its subsidiaries is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including foreign, federal and state securities laws) and applicable to the Company or any of its subsidiaries or by which any property or asset of the Company or any of its subsidiaries is bound or affected except, in the case of clause (ii) or (iii) above, to the extent such violations that could not reasonably be expected to have a material adverse effect on the Company or its subsidiaries, and taking into account the Waivers required in Section 2.2(a).

#### ARTICLE IV

##### REPRESENTATIONS AND WARRANTIES OF THE HOLDER

As a material inducement to the Company to enter into this Agreement and consummate the Exchange, the Holder represents, warrants and covenants with and to the Company as follows:

4.1 Authorization and Binding Obligation. The Holder has the requisite legal capacity, power and authority to enter into, and perform is obligations under, this Agreement. Each of the execution, delivery and performance of this Agreement by the Holder, and the consummation by the Holder of the Exchange, have been duly authorized by all requisite corporate action on the part of the Holder, as applicable, and no further consent or authorization is required. The Agreement has been duly authorized, executed and delivered by such Holder, and constitutes the legal, valid and binding obligations of the Holder, enforceable against such Holder in accordance with its terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies and except as rights to indemnification and to contribution may be limited by federal or state securities laws.

4.2 Beneficial Owner. The Holder owns, beneficially and of record, good and marketable title to Warrants being exchanged pursuant to this Agreement, free and clear of any taxes or encumbrances; and at the Closing, the Holder will convey to the Company good and marketable title to the Warrants surrendered by the Holder in their entirety, free and clear of any security interests, liens, adverse claims, taxes or encumbrances.

## ARTICLE V

### MISCELLANEOUS

5.1 Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City and County of New York, 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. 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 WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

5.2 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together will constitute one and the same Agreement. This Agreement, to the extent delivered by means of a facsimile machine or electronic mail (any such delivery, an "Electronic Delivery"), shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto, each other party hereto shall re-execute original forms hereof and deliver them in person to all other parties. No party hereto shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent such defense related to lack of authenticity.

5.3 Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

5.4 Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

5.5 Entire Agreement; Amendments. This Agreement supersedes all other prior oral or written agreements between the Holder, the Company, their affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement (together with the other Transaction Documents), contains the entire understanding of the parties with respect to the matters covered herein and, except as specifically set forth herein, neither the Company nor the Holder makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be amended other than by an instrument in writing signed by the Parties, and any amendment to this Agreement made in conformity with the provisions of this Section shall be binding upon the parties. No provision hereof may be waived other than by an instrument in writing signed by the party against whom enforcement is sought.

5.6 Notices. 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 (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one Business Day after deposit with an overnight courier service, in each case properly addressed to the party to receive the same. The addresses for such communications shall be:

If to the Company:

Cinedigm Corp.  
902 Broadway, 9th Floor  
New York, NY 10010  
Telephone: (212) 206-8600  
Facsimile: (212) 598-4895  
Attention: General Counsel  
Email: [gloffredo@cinedigm.com](mailto:gloffredo@cinedigm.com)

With a copy to:

Kelley Drye & Warren LLP  
101 Park Avenue  
New York, New York 10178  
Telephone: (212) 808-7800  
Facsimile: (212) 808-7897  
Attention: Jonathan K. Cooperman, Esq.  
Email: [jcooperman@kelleydrye.com](mailto:jcooperman@kelleydrye.com)

If to the Holder:

Sageview Capital Master, L.P.  
55 Railroad Avenue  
Greenwich, Connecticut 06830  
Telephone: (203) 625-4215  
Facsimile: (203) 625-4216  
Attention: Dino Verardo  
Email: dino@sageviewcapital.com

With a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP  
1285 Avenue of the Americas  
New York, New York 10019-6064  
Telephone: (212)373-3309  
Facsimile: (212) 492-0309  
Attention: Raphael M. Russo  
Email: \_\_\_\_\_

5.7 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Holder. The Holder may assign some or all of its rights hereunder without the consent of the Company, except as may be inconsistent with the terms of this Agreement.

5.8 Construction.

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. No specific representation or warranty shall limit the generality or applicability of a more general representation or warranty.

For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neutral genders; the feminine gender shall include the masculine and neutral genders; and the neutral gender shall include the masculine and feminine genders.

*[signature pages follow]*

**IN WITNESS WHEREOF**, the Holder and the Company have caused their respective signature pages to this Agreement to be duly executed as of the date first written above.

**COMPANY:**

**CINEDIGM CORP.**

By: /s/ Gary S. Loffredo

Name: Gary S. Loffredo

Title: Executive Vice President

---

**HOLDER:**

**SAGEVIEW CAPITAL MASTER, L.P.**

By: Sageview Capital GenPar, Ltd.  
*its general partner*

By: /s/ Dino Verardo

Name: Dino Verardo

Title: Vice President

---