

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

**FORM S-1  
REGISTRATION STATEMENT**  
UNDER  
THE SECURITIES ACT OF 1933

**Integral Ad Science Holding LLC**  
to be converted as described herein to a corporation named  
**Integral Ad Science Holding Corp.**  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

7370  
(Primary Standard Industrial  
Classification Code Number)

83-0731995  
(I.R.S. Employer  
Identification No.)

95 Morton St., 8th Floor  
New York, NY 10014  
Telephone: (646) 278-4871  
(Address, including zip code, and telephone number, including  
area code, of registrant's principal executive offices)

Lisa Utzschneider  
Integral Ad Science Holding Corp.  
Chief Executive Officer  
95 Morton St., 8th Floor  
New York, NY 10014  
(646) 278-4871

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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New York, New York 10017  
(212) 450-4000

**Approximate date of commencement of proposed sale to the public:  
As soon as practicable after this Registration Statement becomes effective.**

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee
Common Stock, par value \$0.001 per share	\$100,000,000	\$10,910.00

(1) Includes the aggregate offering price of shares of common stock subject to the underwriters' option to purchase additional shares.

(2) Estimated solely for purposes of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

**The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

## EXPLANATORY NOTE

Integral Ad Science Holding LLC, the registrant whose name appears on the cover of this registration statement, is a Delaware limited liability company. The registrant's prior name was Kavacha Topco, LLC and, effective February 23, 2021, the registrant's name was changed to Integral Ad Science Holding LLC. Immediately prior to effectiveness of this registration statement, Integral Ad Science Holding LLC intends to convert into a Delaware corporation pursuant to a statutory conversion and change its name to Integral Ad Science Holding Corp. as described in the section titled "Corporate Conversion" of the accompanying prospectus. In the accompanying prospectus, we refer to all of the transactions related to our conversion to a corporation as the Corporate Conversion. As a result of the Corporate Conversion, the members of Integral Ad Science Holding LLC will become holders of shares of common stock of Integral Ad Science Holding Corp. Unless the context otherwise requires, all references in the accompanying prospectus to the "Company," "Integral Ad Science Holding Corp.," "IAS," "we," "us," "our," or similar terms refer to Integral Ad Science Holding LLC and its consolidated subsidiaries before the Corporate Conversion, and Integral Ad Science Holding Corp. and, where appropriate, its subsidiaries after the Corporate Conversion.

The term "Vista" or "our Sponsor" refers to Vista Equity Partners, our equity sponsor, and the term "Vista Funds" refers to Vista Equity Partners Fund VI, L.P. ("VEPF VI"), Vista Equity Partners Fund VI-A, L.P. ("VEPF VI-A"), and VEPF VI FAF, L.P. ("VEPF FAF").

Except as disclosed in the prospectus, the consolidated financial statements and selected historical consolidated financial data and other financial information included in this registration statement are those of Integral Ad Science Holding LLC and its subsidiaries and do not give effect to the Corporate Conversion. Shares of common stock of Integral Ad Science Holding Corp. are being offered by the accompanying prospectus. We do not expect that the Corporate Conversion will have a material effect on the results of our core operations.

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated \_\_\_\_\_, 2021

## Shares



### COMMON STOCK

This is an initial public offering of shares of common stock of Integral Ad Science Holding Corp.

Prior to this offering, there has been no public market for our common stock. It is currently estimated that the initial public offering price per share will be between \$ \_\_\_\_\_ and \$ \_\_\_\_\_. We intend to apply to list our common stock on the NASDAQ Global Select Market (“NASDAQ”) under the symbol “IAS.”

We are an “emerging growth company” as defined under the federal securities laws, and as such, we have elected to comply with certain reduced reporting requirements for this prospectus and may elect to do so in future filings.

See “[Risk Factors](#)” beginning on page 18 to read about factors you should consider before buying shares of our common stock.

Immediately after this offering, assuming an offering size as set forth above, funds controlled by our equity sponsor, Vista Equity Partners, will own approximately \_\_\_\_\_% of our outstanding common stock (or \_\_\_\_\_% of our outstanding common stock if the underwriters’ option to purchase additional shares is exercised in full). As a result, we expect to be a “controlled company” within the meaning of the corporate governance standards of the \_\_\_\_\_. See “Management—Corporate Governance—Controlled Company Status.”

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

	<u>Per Share</u>	<u>Total</u>
Initial public offering price	\$ _____	\$ _____
Underwriting discount(1)	\$ _____	\$ _____
Proceeds, before expenses, to Integral Ad Science Holding Corp.	\$ _____	\$ _____

(1) See “Underwriting” for a description of compensation payable to the underwriters.

We have granted the underwriters the right to purchase up to an additional \_\_\_\_\_ shares of our common stock at the initial public offering price less the underwriting discount.

The underwriters expect to deliver the shares of common stock against payment in New York, New York on \_\_\_\_\_, 2021.

Prospectus dated \_\_\_\_\_, 2021

Morgan Stanley  
Wells Fargo Securities  
Academy Securities

Jefferies  
BMO Capital Markets  
Blaylock Van, LLC  
Penserra Securities LLC

Barclays  
Oppenheimer & Co.  
R. Sealaus & Co., LLC

Evercore ISI  
Raymond James Stifel  
Siebert Williams Shank

# Make every impression count.

Our mission is to be the global benchmark for **trust and transparency in digital media quality** for the world's leading brands, publishers, and platforms



**IAS** Integral  
Ad Science

# IAS Solutions Are Everywhere Our Customers Need Them

**IAS** | **Quality Impressions™**

FRAUD FREE + VIEWABLE + SAFE & SUITABLE + IN GEO

### Coverage

Desktop	Mobile	CTV
Display	Video	Open Web
Social Platforms	Browser	In-App
Pre-Bid & Post-Bid	40+ Languages	Publishers

# A Global Footprint Serving Today's Biggest Brands



**~40%**

International Revenue

**6.7** years

Average Customer Tenure Since 2012<sup>(1)</sup>

**35%**

of Top 150 U.S. Advertisers Are Our Customers

(1) For Top 100 customers based on 2020 revenue



# IAS: A Leader in Digital Advertising Verification



**100B+**

Average Daily  
Web Transactions

**108%**

2020 Net Revenue  
Retention<sup>(1)</sup>

**651**

Employees

**\$241M**

2020 Revenue

**\$56M**

2020 Adj. EBITDA<sup>(2)</sup>

**23%**

Adj. EBITDA  
Margin<sup>(2)</sup>

(1) Based on customers with at least \$3,000 in annual spend

(2) See Non-GAAP reconciliation for reconciliation of Adj. EBITDA to Net Income

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Neither we nor any of the underwriters have authorized anyone to provide any information or make any representations other than those contained in this prospectus or in any free writing prospectus filed with the Securities and Exchange Commission (the “SEC”). Neither we nor any of the underwriters take any responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our common stock. Our business, financial condition, results of operations, and prospects may have changed since such date.

For investors outside of the United States, neither we nor any of the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about, and to observe any restrictions relating to, this offering and the distribution of this prospectus outside of the United States.

**Through and including \_\_\_\_\_, 2021 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer’s obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.**



## PROSPECTUS SUMMARY

*This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider before investing in our common stock. For a more complete understanding of us and this offering, you should read and carefully consider the entire prospectus, including the more detailed information set forth under “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the related notes. Some of the statements in this prospectus are forward-looking statements. See “Forward-Looking Statements.”*

## OUR COMPANY

IAS is a leading digital advertising verification company by revenue. Our mission is to be the global benchmark for trust and transparency in digital media quality for the world’s leading brands, publishers, and platforms.

With our cloud-based technology platform and the actionable insights it provides, we deliver independent measurement and verification of digital advertising across all devices, channels, and formats, including desktop, mobile, connected TV (“CTV”), social, display, and video. Our proprietary and Media Rating Council (the “MRC”) accredited Quality Impressions™ metric is designed to verify that digital ads are served to a real person rather than a bot, viewable on-screen, and appear in a brand-safe and suitable environment in the correct geography.

Without an independent evaluation of digital advertising quality, brands and their agencies previously relied on a wide range of publishers and ad platforms to self-report and measure the effectiveness of campaigns without a global benchmark to understand success. We are an independent, trusted partner for buyers and sellers of digital advertising to increase accountability, transparency, and effectiveness in the market. We help advertisers optimize their ad spend and better measure consumer engagement with campaigns across platforms, while enabling publishers to improve their inventory yield and revenue.

As a leading ad verification partner, we have deep integrations with all the major advertising and technology platforms including Amazon, Facebook, Google, Instagram, LinkedIn, Microsoft, Pinterest, Snap, Spotify, The Trade Desk, Twitter, Verizon Media, Xandr, and YouTube.

Our platform uses advanced artificial intelligence (“AI”) and machine learning (“ML”) technologies to process over 100 billion daily web transactions on average. With this data, we deliver real-time insights and analytics to our global customers through our easy-to-use IAS Reporting Platform helping brands, agencies, publishers, and platform partners improve media quality and campaign performance. Our customers, consisting collectively of advertising customers and publisher customers, currently activate our solutions globally across 111 countries.

We serve customers globally with 11 offices in 8 countries. Our efficient go-to-market strategy has fueled our growth and ability to serve 2,062 current customers, including both 1,924 advertising customers and 138 publisher customers, as of March 31, 2021. We serve 35% of the top 150 U.S. advertisers. Our net revenue retention of advertising customers were 132% and 110% for the three months ended March 31, 2020 and 2021, respectively.

The digital advertising market is expected to reach \$526 billion in global spend by 2024, growing at a compound annual growth rate of 12% from 2020 to 2024, according to eMarketer. We intend to capitalize on this opportunity and several high growth segments including programmatic, contextual, social, and connected TV. We believe that growing our global customer base represents a significant long-term opportunity, especially for markets outside of the U.S. and Western Europe.

We have an attractive financial profile with a combination of growth and profitability. For the three months ended March 31, 2020, we generated a Net Loss of \$14.4 million, which reduced to \$2.8 million for the three months ended March 31, 2021, representing a 81% reduction in net losses period-over-period. Our Net Loss margin improved from (27)% to (4)% for the three months ended March 31, 2020 compared to the three months ended March 31, 2021, as a result of our revenue growth and our ability to reduce costs and improve efficiencies. Our Adjusted EBITDA improved from \$6.7 million to \$18.8 million which represents a 181% increase period-over-period, and our Adjusted EBITDA margin improved from 12% to 28% for three months ended March 31, 2020 and 2021, respectively. For the year ended December 31, 2019, we generated a Net Loss of \$51.3 million, which reduced to \$32.4 million for the year ended December 31, 2020, representing a 37% reduction in net losses year-over-year. Our Net Loss Margin improved from (24)% to (13)% for the year ended December 31, 2019 to the year ended December 31, 2020, as a result of our revenue growth combined with our measures to reduce costs and improve efficiencies. Our Adjusted EBITDA improved from \$38.8 million to \$56.4 million which represents a 45% increase year-over-year, and our Adjusted EBITDA margin improved from 18% to 23% for the years ended December 31, 2019 and 2020, respectively. For definitions of Adjusted EBITDA and Adjusted EBITDA margin, see “Selected Consolidated Financial Data—Non-GAAP Financial Measures.”

## OUR INDUSTRY

We believe that IAS is well-positioned to benefit from several significant digital marketing trends and shifts in consumer behavior, including:

**Significant Growth in Digital Media Usage and Ad Spend** According to comScore, total time spent online in the U.S. grew 43% from June 2017 to June 2019 and, according to eMarketer, time spent consuming digital media in the U.S. increased 15% in 2020. Additionally, eMarketer estimates that the global non-search digital advertising market surpassed \$180 billion in 2020 and will grow to over \$270 billion by 2023. As consumers spend even more time online, we believe that this shift will fuel continued growth in ad spend across all digital channels.

**Increased Focus on Marketing Efficiency** Marketers are increasingly aware of wasted media spend related to ad fraud (for example, when ads are served to bots or non-human traffic instead of real people) or viewability issues (for example, when ads are served but never viewed by a person). Juniper Research estimates advertisers will lose approximately \$100 billion in annual ad spend to ad fraud in 2024, an increase from approximately \$42 billion in 2019.

**Importance of Brand Reputation** Managing brand reputation is a top priority for many modern marketers. To fulfill their brand values and campaign objectives, more brands are focused on ensuring their ad campaigns run adjacent to content that meets their specific standards. To achieve this, marketers are adopting scalable and customizable brand safety and brand suitability solutions to protect their brand reputation and increase campaign performance. According to a 2017 survey by CMO Council, 72% of marketers are concerned about brand integrity and control, with over 25% experiencing contextual incidents detrimental to brand reputation.

**Acceleration of Ad-Supported Connected TV (“CTV”)** Consumers are watching more digital video and CTV programming, spending on average 41% of their total digital video time on CTV devices. The COVID-19 pandemic accelerated what we believe will be ongoing consumer and advertiser adoption. According to eMarketer, CTV ad spend is expected to more than double from \$8.1 billion in 2020 to \$18.3 billion in 2024. With more CTV ad inventory available, we believe this will drive greater demand for verification solutions to ensure that larger ad budgets are deployed effectively and efficiently.

**Changing Regulatory Landscape and Importance of Contextual Targeting** With increased attention on user privacy and the deprecation of third-party cookies, context-based advertising has emerged as a necessary tool for brands. Updated regulations, such as the GDPR and the CCPA, have increased complexity surrounding

personal data and cookie usage. Our leading Context Control solution uses semantic language technology to determine the context, sentiment, and emotion of digital content. With these sophisticated tools available, we expect more advertisers to adopt contextual targeting instead of audience data.

**Acceleration of Programmatic Advertising** Programmatic advertising, the automated buying and selling of digital ads, has grown tremendously by helping marketers to optimize performance and pricing through real-time signals. According to eMarketer, U.S. programmatic digital display ad spending is expected to grow from \$59.6 billion in 2019 to \$95.0 billion in 2022, a compound annual growth rate (“CAGR”) of 17%. Programmatic buying enables advertisers to target the highest value inventory in real-time to reach their audience, faster and more efficiently. However, programmatic advertising is heavily susceptible to fraud, viewability and brand safety and suitability risks, given the speed and opacity of the transaction process. According to eMarketer, ad fraud ranked as the second-highest concern among programmatic advertisers.

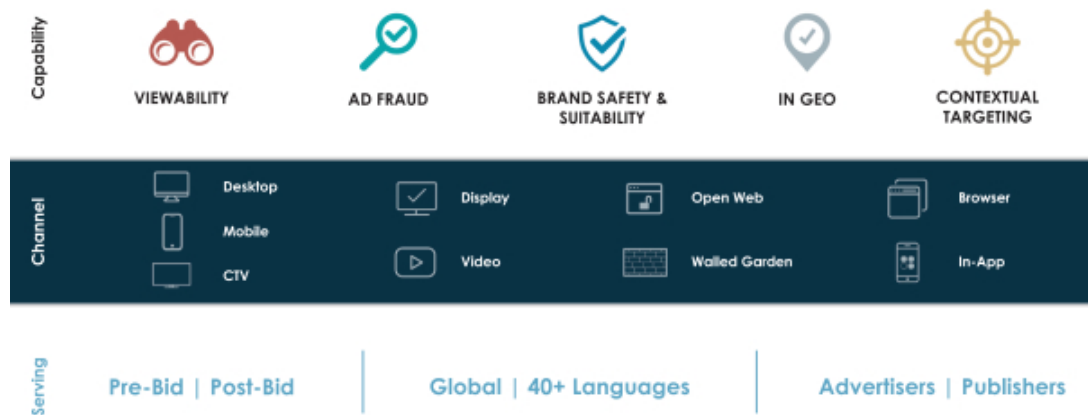
### OUR MARKET OPPORTUNITY

We believe there is significant market opportunity to provide advertisers, agencies, publishers and platforms with measurement and verification solutions that address viewability, brand safety and suitability, ad fraud prevention, contextual targeting, reporting, and inventory yield management. Based on a March 2021 analysis by Frost & Sullivan, we estimate the global market opportunity for our ad verification solutions to be \$9.5 billion and expect it to grow at a 16.2% CAGR from 2021 to 2025.

In addition, we believe we are well poised to expand into the ad measurement and effectiveness market. There are expansion opportunities beyond the existing use cases we currently serve such as providing measurement of ad effectiveness and efficiency to brands and helping them understand marketing performance. Sub-markets include audience and attribution measurement, return on advertising spend, and reach and frequency. Based on a March 2021 analysis by Frost & Sullivan, we estimate the global market opportunity of ad measurement and effectiveness solutions to be \$6.3 billion and expect it to grow at a 20.5% CAGR from 2021 to 2025.

Our statement that we are a leading digital advertising verification company is based on an independent third party market study by Frost & Sullivan we commissioned. The study shows we are a leader in global market share by revenue, including leading in international markets such as EMEA and APAC by revenues in those regions, respectively.

### OUR SOLUTIONS



Our leading digital ad verification solutions address ad fraud detection and prevention, viewability, brand safety and suitability, contextual targeting, inventory yield management, and reporting. We are integrated into the digital ad buying and selling process to verify, measure campaign quality and reach, and improve results. We support all buying formats, including direct, programmatic, programmatic guaranteed, and private marketplaces. Our solutions support over 40 languages globally and span all advertising channels, including display, video, desktop, mobile browser and in-app, connected TV (“CTV”), and social.

Our proprietary and MRC-accredited Quality Impressions™ metric is designed to verify that digital ads are served to a real person rather than a bot, viewable on-screen, and presented in a brand-safe and suitable environment in the correct geography.

Launched in early 2020, our Context Control solution delivers contextual targeting and brand suitability capabilities. Context Control is powered by our cognitive semantic-based technology, helping advertisers achieve better contextual matching and brand suitability at scale. With over 300 contextual targeting and avoidance segments that can be customized, Context Control helps ensure ads are displayed in the best-suited environments. In an independent evaluation by The Ozone Project, our contextual technology delivered 42% more accuracy than the next competitor.

Our ad verification solutions serve buyers and sellers. For advertisers, we provide pre-bid programmatic and post-buy verification solutions. For publishers, we provide optimization and verification solutions. Our solutions can measure and verify ad fraud, brand safety, viewability, and geography for all digital ad campaigns.

*Ad Fraud:* Powered by artificial intelligence and machine learning technology, our solutions identify non-human traffic by automatically detecting new threats and uncommon patterns. We also provide malware analysis and reverse engineering to uncover threats. Our three-pillar approach to provide highly accurate ad fraud detection and prevention, includes:

- Machine learning that uses big data to detect hidden, uncommon patterns;
- Rules-based detection that uses automated rule checks to identify invalid traffic sources; and
- The IAS Threat Lab that employs malware analysis and reverse engineering to uncover emerging threats.

*Viewability:* Our solutions measure whether an ad is viewable based on MRC standards, enabling advertisers to optimize media plans. Our comprehensive viewability capabilities:

- Offer customizable controls based on MRC standards as well as custom brand settings;
- Provide advanced metrics, including time-in-view and frequency performance benchmarks; and
- Deliver cross-channel and cross-device coverage including display and video; desktop, mobile, and connected TV; open web and internet platforms; and mobile browser and in-app.

*Brand Safety and Suitability:* We help marketers manage their brand reputation and avoid issues by ensuring ads run adjacent to content that meets their specific standards. Our solutions include customized scoring and risk thresholds, pre-bid filtering and targeting, and post-bid blocking and monitoring. These tools can be customized to an advertiser’s specific risk tolerance with our granular content scoring across eight standard categories including adult, alcohol, gambling, hate speech, illegal downloads, illegal drugs, offensive language, and violence. Additionally, we offer advertisers even more flexibility and precise controls to avoid or target certain placements based on over 300 contextual categories, including:

- Topical: specific topics such as sensitive social issues or natural disasters;
- Verticalized: industry-specific coverage such as automotive, finance, and retail; and
- Brand-specific: negative sentiment associated with a specific brand name.

*Geography:* With a significant and growing number of global customers, we serve many advertisers that target their campaigns to specific geographic regions based on the localized content or language of the ad, or for compliance requirements. With customers currently activating our solutions across 111 countries, we give advertisers confidence in their geographic targeting, ensuring that ads only run in their intended regions.

*Reporting:* Our platform processes data in real-time to provide advanced analytics and reporting for our customers. Our specialized reporting provides customers with a clear view of campaign performance including ad fraud, viewability, brand safety and suitability, and geography across all channels and formats. We produce specialized reports, offering in-depth insights and enabling our clients to take action to optimize their media spend.

#### ***Advertiser solutions***

Our pre-bid and post-bid verification solutions enable advertisers to measure campaign performance and value across viewability, ad fraud prevention, brand safety and suitability, and contextual targeting for ads on desktop, mobile in-app, social, and connected TV platforms. For desktop, we also have the powerful ability to block ads in real-time and protect brands from fraud.

Our pre-bid programmatic solution is directly integrated with DSPs to help optimize return on ad spend (“ROAS”) by directing budget to the best available inventory. It operates in the bid-stream in real-time where standard and custom segments are built into the DSP to project which inventory will meet the advertisers brand safety and suitability criteria, be free from fraud, and be most viewable. We can also build in custom segments for targeting, which is increasingly important as the industry moves away from cookies and other forms of identity-based tracking. Our contextual ability is enabled through our deep integrations with all major DSPs. In addition, our targeting and pre-bid solutions extend to the social platforms. For example, in 2020, we released our YouTube Select and Channel Science targeting solutions as well as Content Allow Lists on Facebook.

#### ***Publisher solutions***

Our solutions help hundreds of publishers globally deliver high quality ad inventory that is fraud free, viewable, brand safe and suitable, and geographically targeted. With our Context Control solution, we help publishers classify and package their inventory to showcase quality placements, increase site engagement, drive revenue, and reduce blocking. These tools also help to verify, optimize, and provide better matches between inventory and advertisers, ensuring publishers can maximize revenue and yield potential. Leveraging our data and insights, we also help supply-side platforms (“SSPs”), including ad networks and exchanges, to measure and validate their inventory quality.

### **OUR STRENGTHS**

We believe that the following capabilities reflect our strengths and competitive advantages.

#### **Comprehensive suite of ad verification solutions**

IAS Quality Impressions™ is our proprietary and MRC-accredited metric that ensures digital media quality standards for advertising effectiveness. To achieve Quality Impressions™, a digital ad must be served to a real person rather than a bot, viewable on-screen, and presented within a brand-safe and suitable environment in the correct geography. Additionally, our leading contextual capability, Context Control, helps brands avoid and target content based on their specific values or campaign objectives. Our technology is designed to determine sentiment and emotional classification of content at a global scale. For publishers, we help them increase the monetization of their advertising inventory. Our solutions are available across digital channels, ad formats, purchase methods, and devices.

IAS also offers a Quality Attention metric, which is designed to measure attention by evaluating factors such as time-in-view (“TIV”) and share of screen. With Quality Attention, advertisers can optimize campaigns and maximize attention.

### **Integrations throughout the digital marketing ecosystem**

Operating globally, we are integrated directly with advertisers, publishers, and advertising platforms including demand side platforms and ad networks to ensure our solutions are available regardless of where our customers decide to transact.

### **Long-standing industry partnerships and relationships**

We are a trusted partner to some of the largest technology and advertising platforms, improving the transparency and visibility of their media spend. Our integration partners, such as Google, Facebook, and Amazon account for the majority of digital advertising budgets and directly incorporate our solutions in their platforms to provide for independent verification, measurement, optimization, and insights required by the advertiser customers we serve. We do not generate material revenue directly from our arrangements with our integration partners. We generate revenue by charging a cost per thousand impressions (“CPM”) based on the volume of purchased digital ads that we analyze for our advertiser and publisher customers, including customers that utilize our integration partners for their ad campaigns. Our solutions help advertisers to measure consumer interactions with their brands across platforms. Additionally, we work closely with industry organizations and accreditation groups including the Audit Bureau of Circulations (the “ABC”), the Global Alliance for Responsible Media (the “GARM”), the Interactive Advertising Bureau (the “IAB”), the MRC, and the Trustworthy Accountability Group (the “TAG”). We are accredited by the ABC for viewability. We are also accredited by the MRC for our proprietary metric, Quality Impressions™, as well as our Display and Video Total Impressions and Viewable Impression Statistics, Campaign Monitor and Firewall Verification Services, and Sophisticated Invalid Traffic Detection and Filtration. To extend and maintain our MRC accreditations, we participate in annual audits across our solutions that are conducted by an independent third-party and ensure we align with MRC standards. For 2021, IAS also completed the rigorous evaluations required to achieve recertification for TAG’s Certified Against Fraud, Certified Against Piracy, and Brand Safety Certified Programs.

### **Market leadership and trusted brand**

Advertisers and publishers value our independent verification offerings and our extensive industry thought leadership. We deliver valuable case studies, research, and whitepapers, in addition to participating in industry conferences and hosting proprietary events. In 2020, we developed and released more than 40 thought leadership research studies globally. Our semi-annual Media Quality Reports share unique insights extracted from the trillions of data events we measure globally each month, offering an industry barometer for ad buyers and sellers to benchmark the quality of their campaigns and inventory. All of these thought leadership efforts are amplified and shared through our ongoing demand generation, content marketing, public relations, and social media to help ensure our solutions instill trust and confidence in the media buying process.

### **Diverse, loyal, and global customer base**

We successfully serve 2,062 customers, consisting of both 1,924 advertising customers and 138 publisher customers. We work with many of the largest, global marketers and media companies who want a single verification partner to serve their global needs. Since 2012, our average customer tenure for our top 100 customers has been 6.7 years. We have also grown our customer relationships over time by offering additional products. From December 31, 2017 to December 31, 2020, our average revenue per customer for our top 100 customers has



grown at a CAGR of 22% and revenue attributable to our top 100 customers approximated 70% of our total revenue for each of these years. We define average revenue per top 100 customers as our total revenue from our top 100 customers by revenues in a given reporting period divided by 100.

### **Large and growing dataset driving unique customer insights**

We collect trillions of data events per month, which provides us with a comprehensive view of digital ad transactions. Our data science capabilities harness unique, real-time insights for our customers to improve the effectiveness of their advertising campaigns. Our platform and architecture are highly scalable and capable of ingesting, on average, 100 billion web transactions per day with exceptional performance and reliability.

## **OUR GROWTH STRATEGY**

We believe this is the early stage of our growth and that we are at an inflection point in the advertising industry.

We intend to capitalize on our leading brand and competitive positioning to pursue several long-term growth strategies:

- ***Innovate and Develop New Products for Key High-Growth Segments***
  - *Programmatic.* We aim to deliver greater transparency to programmatic ad buying via innovative solutions including contextual targeting and brand safety and suitability.
  - *Social.* We aim to develop deeper integrations with social platforms, also known as Walled Gardens, including feed-based brand safety and suitability, to deliver continued transparency to our customers.
  - *Connected TV.* We plan to expand our CTV-specific verification solutions and contextual targeting capabilities to address the fast-growing connected TV segment.
  - *Adjacent Product Expansion.* We plan to expand our platforms and integrations to address new verification and measurement needs for our clients.
- ***Increase Sales Within Our Existing Customer Base*** We aim to increase the use of our products among existing customers across more campaigns and impressions. Given our comprehensive product portfolio, we believe we can cross-sell additional or new solutions to provide end-to-end coverage to more clients from pre-bid viewability to post-buy verification, fraud prevention, safety, suitability, and targeting.
- ***Acquire New Customers and Increase Market Share*** We plan to work with the top 500 global advertisers by targeting high-spend verticals and brands with a natural sensitivity for brand safety, brand suitability, and ROAS needs. We believe we will increase our market share by strengthening our work with the leading social platforms, enhancing our programmatic solutions, deriving benefit from our broad global position, and leveraging our differentiated data science and market-leading contextual capabilities.
- ***Expand Customer Base Internationally*** Global marketers are investing in more sophisticated verification strategies and we believe there is growing demand for our solutions internationally, especially in the Latin America and APAC regions.

## RISK FACTOR SUMMARY

There are a number of risks related to our business, this offering and our common stock that you should consider before you decide to participate in this offering. You should carefully consider all the information presented in the section entitled “Risk Factors” in this prospectus. Some of the principal risks related to our business include the following:

- factors that affect the amount of advertising spending, such as economic downturns and marketability, including as a result of COVID-19, instability in political or market conditions generally, and any changes in tax treatment of advertising expenses, can make it difficult to predict our revenue and could adversely affect our business, results of operations, and financial condition;
- if we fail to innovate, maintain or achieve industry accreditation standards, make the right investment decisions in our offerings and platform, including responding to technological changes or upgrading our technology systems, and expand into new channels, we may not attract new customers, retain customers, or achieve customer acceptance of our products, and our business, revenue, and results of operations may decline;
- the market in which we participate is intensely competitive, both from established and new companies, and we may not be able to compete successfully with our current or future competitors;
- we rely on integrations with advertising platforms, demand-side platforms (“DSPs”), proprietary platforms, and ad servers, over which we exercise little control and loss of integration, through technology issues, regulations affecting our partners or loss of partners would materially affect our business;
- our international expansion may expose us to additional risks and requires increased expenditures, which imposes additional risks and compliance imperatives, and failure to successfully execute our international plans will adversely affect our growth and operating results;
- if we are not able to maintain and enhance our brand, our business, financial condition, and operating results may be adversely affected;
- we are subject to payment-related risks and, if our customers do not pay or dispute their invoices, our business, financial condition, and operating results may be adversely affected;
- we have revenue share arrangements with certain DSPs and any material changes to those sharing arrangements could affect our costs;
- our corporate culture has contributed to our success and, if we are unable to maintain it or manage our growth effectively, our business, financial condition, and results of operations could be harmed and the quality of our platform and solutions may suffer;
- our business is subject to the risks of earthquakes, fires, floods, and other natural catastrophic events and to interruption by man-made problems such as terrorism, computer viruses, or social disruption impacting advertising spending;
- certain operating results and financial metrics may be difficult to accurately predict due to seasonality;
- our revenue model depends on high impression volumes, the growth of which may not be sustained, and our short operating history makes it difficult to evaluate our future prospects;
- the market for buying digital advertising verification solutions is relatively new and evolving. Our estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate;

- if the non-proprietary technology, software, products and services that we use are unavailable, become subject to future license or other terms we cannot agree to, or do not perform as we expect, our business, financial condition, and results of operations could be harmed;
- we may be sued by third parties for alleged infringement, misappropriation or other violation of their proprietary rights, which would result in additional expense and potential damages;
- we may be unable to obtain, maintain, protect, or enforce intellectual property and proprietary rights that are important to our business, which could enable others to copy or use aspects of our technology without compensating us, thereby eroding our competitive advantages and harming our business;
- failures in the systems and infrastructure supporting our solutions and operations could significantly disrupt our operations, and operational, technical, and performance issues with our platform, whether real or perceived may adversely affect our business, reputation, financial condition, and operating results;
- if unauthorized access is obtained to user, customer or inventory, and third-party provider data, or our platform is compromised, our services may be disrupted or perceived as insecure, and as a result, we may lose existing customers or fail to attract new customers, and we may incur significant reputational harm and legal and financial liabilities;
- concerns regarding data privacy and security relating to our industry’s technology and practices, and perceived failure to comply with laws and industry self-regulation, could damage our reputation and deter current and potential customers from using our products and services;
- we are subject to taxation in multiple jurisdictions. Any adverse development in the tax laws of any of these jurisdictions, any disagreement with our tax positions or change in our annual effective income tax rate could have a material and adverse effect on our business, financial condition or results of operations; and
- the other factors set forth under “Risk Factors.”

These and other risks are more fully described in the section entitled “Risk Factors” in this prospectus. If any of these risks actually occurs, our business, financial condition, results of operations, cash flows, and prospects could be materially and adversely affected. As a result, you could lose all or part of your investment in our common stock.

#### **OUR SPONSOR**

We have a valuable relationship with our equity sponsor, Vista. We are party to a director nomination agreement with Vista (the “Director Nomination Agreement”) that provides Vista the right to designate nominees to our board of directors (the “Board”), subject to certain conditions. The Director Nomination Agreement will provide Vista the right to designate: (i) all of the nominees for election to our Board for so long as Vista beneficially owns 40% or more of the total number of shares of our common stock it owns as of the date of this offering; (ii) a number of directors (rounded up to the nearest whole number) equal to 40% of the total directors for so long as Vista beneficially owns at least 30% and less than 40% of the total number of shares of our common stock it owns as of the date of this offering; (iii) a number of directors (rounded up to the nearest whole number) equal to 30% of the total directors for so long as Vista beneficially owns at least 20% and less than 30% of the total number of shares of our common stock it owns as of the date of this offering; (iv) a number of directors (rounded up to the nearest whole number) equal to 20% of the total directors for so long as Vista beneficially owns at least 10% and less than 20% of the total number of shares of our common stock it owns as of the date of this offering; and (v) one director for so long as Vista beneficially owns at least 5% and less than

10% of the total number of shares of our common stock it owns as of the date of this offering. The Director Nomination Agreement will also provide that Vista may assign such right to a Vista affiliate. The Director Nomination Agreement will prohibit us from increasing or decreasing the size of our Board without the prior written consent of Vista. See “Certain Relationships and Related Party Transactions—Related Party Transactions—Director Nomination Agreement” for more details with respect to the director nomination agreement.

Vista is a leading global investment firm with more than \$75 billion in assets under management as of December 31, 2020. The firm exclusively invests in enterprise software, data, and technology enabled organizations across private equity, permanent capital, credit, and public equity strategies, bringing an approach that prioritizes creating enduring market value for the benefit of its global ecosystem of investors, companies, customers, and employees. Vista’s investments are anchored by a sizable long-term capital base, experience in structuring technology-oriented transactions and proven, flexible management techniques that drive sustainable growth. Vista believes the transformative power of technology is the key to an even better future—a healthier planet, a smarter economy, a diverse and inclusive community and a broader path to prosperity.

## GENERAL CORPORATE INFORMATION

Our principal executive offices are located at 95 Morton St., 8th Floor, New York, NY 10014. Our telephone number is (646) 278-4871. Our website address is [www.integralads.com](http://www.integralads.com). The information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus, and you should not consider any information contained on, or that can be accessed through, our website as part of this prospectus or in deciding whether to purchase our common stock. We are a holding company and all of our business operations are conducted through our subsidiaries.

This prospectus includes our trademarks and service marks such as “IAS,” “Integral Ad Science,” “Quality Impressions,” and “Total Visibility,” which are protected under applicable intellectual property laws and are the property of us or our subsidiaries. This prospectus also contains trademarks, service marks, trade names and copyrights of other companies, such as “AWS” and “Oracle’s MOAT and Grapeshot,” which are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this prospectus may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names.

## CORPORATE CONVERSION

We currently operate as a Delaware limited liability company under the name Integral Ad Science Holding LLC, which directly and indirectly holds all of the equity interests in our operating subsidiaries. Immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, Integral Ad Science Holding LLC will convert into a Delaware corporation pursuant to a statutory conversion and will change its name to Integral Ad Science Holding Corp. In this prospectus, we refer to all of the transactions related to our conversion into a corporation as the Corporate Conversion. Following the Corporate Conversion, we will remain a holding company and will continue to conduct our business through our operating subsidiaries. For more information, see the section titled “Corporate Conversion.”

Following the completion of the Corporate Conversion and prior to the closing of this offering, Vista will own approximately % of Integral Ad Science Holding Corp.’s common stock. Integral Ad Science Holding Corp. will have several wholly owned direct and indirect subsidiaries that are legacies from the corporate structure that existed prior to this offering. See the section titled “Corporate Conversion.”

### STATUS AS A CONTROLLED COMPANY

Because Vista will beneficially own \_\_\_\_\_ shares of our common stock (or \_\_\_\_\_ shares of our common stock if the underwriters' option to purchase additional shares is exercised in full), representing approximately \_\_\_\_\_ % of the voting power of our company following the completion of this offering (or \_\_\_\_\_ % if the underwriters' option to purchase additional shares is exercised in full), we will be a "controlled company" as of the completion of the offering under the Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act"), and the rules of the \_\_\_\_\_. As a controlled company, we will not be required to have a majority of independent directors or to form an independent compensation committee or nominating and corporate governance committee. As a controlled company, we will remain subject to the rules of the Sarbanes-Oxley Act and require us to have an audit committee composed entirely of independent directors. Under these rules, we must have at least one independent director on our audit committee by the date our common stock is listed on the \_\_\_\_\_, at least two independent directors on our audit committee within 90 days of the listing date, and at least three directors, all of whom must be independent, on our audit committee within one year of the listing date. We expect to have \_\_\_\_\_ independent directors upon the closing of this offering, of whom \_\_\_\_\_ will qualify as independent for audit committee purposes.

If at any time we cease to be a controlled company, we will take all action necessary to comply with the Sarbanes-Oxley Act and rules of the \_\_\_\_\_, including by having a majority of independent directors and ensuring we have a compensation committee and a nominating and corporate governance committee, each composed entirely of independent directors, subject to a permitted "phase-in" period. See the section titled "Management—Corporate Governance—Controlled Company Status."

### IMPLICATIONS OF BEING AN EMERGING GROWTH COMPANY

We qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). We will remain an emerging growth company until the earliest of (1) the last day of the fiscal year following the fifth anniversary of the completion of this offering, (2) the last day of the fiscal year in which we have total annual gross revenue of at least \$1.07 billion, (3) the date on which we are deemed to be a large accelerated filer (this means the market value of common that is held by non-affiliates exceeds \$700.0 million as of the end of the second quarter of that fiscal year) or (4) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period.

An emerging growth company may take advantage of reduced reporting requirements that are otherwise applicable to public companies. These provisions include, but are not limited to:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act;
- an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- reduced disclosure obligations regarding executive compensation in periodic reports, proxy statements, and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

We have elected to take advantage of certain reduced disclosure obligations regarding financial statements (such as not being required to provide audited financial statements for the year ended December 31, 2018 or five years of Selected Consolidated Financial Data) in this prospectus and executive compensation in this prospectus and expect to elect to take advantage of other reduced burdens in future filings. As a result, the information that we provide to our shareholders may be different than you might receive from other public reporting companies in which you hold equity interests.

The JOBS Act also permits an emerging growth company like us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We have elected to “opt-in” to this extended transition period for complying with new or revised accounting standards and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that comply with such new or revised accounting standards on a non-delayed basis. As a result, our operating results and consolidated financial statements may not be comparable to the operating results and financial statements of other companies who have adopted the new or revised accounting standards. It is possible that some investors will find our common stock less attractive as a result, which may result in a less active trading market for our common stock and higher volatility in our stock price.



## THE OFFERING

<b>Common stock offered</b>	shares.
<b>Option to purchase additional shares</b>	shares.
<b>Common stock to be outstanding after this offering</b>	shares (or shares if the underwriters' option to purchase additional shares is exercised in full).
<b>Use of proceeds</b>	<p>We estimate that our net proceeds from this offering will be approximately \$ million, or approximately \$ million if the underwriters' option to purchase additional shares is exercised in full, assuming an initial public offering price of \$ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting the underwriting discount and estimated offering expenses payable by us.</p> <p>The principal purposes of this offering are to increase our capitalization and financial flexibility, create a public market for our common stock and enable access to the public equity markets for us and our shareholders. We expect to use approximately \$ million of the net proceeds of this offering (or \$ million of the net proceeds of this offering if the underwriters exercise their option to purchase additional shares in full) to repay outstanding borrowings under our senior secured credit agreement, dated July 19, 2018 and comprised of the \$325.0 million term loan facility (the "Term Loan Facility") and the \$25.0 million revolving credit facility (the "Revolving Credit Facility" and together with the Term Loan Facility, the "Credit Agreement", as amended), with a maturity date of July 19, 2024 and a maturity date of July 19, 2023, respectively, and the remainder of such net proceeds will be used for general corporate purposes. At this time, other than repayment of indebtedness under our senior secured Credit Agreement, we have not specifically identified a large single use for which we intend to use the net proceeds and, accordingly, we are not able to allocate the net proceeds among any of these potential uses in light of the variety of factors that will impact how such net proceeds are ultimately utilized by us. See "Use of Proceeds" for additional information.</p>
<b>Controlled company</b>	<p>After this offering, assuming an offering size as set forth in this section, the Vista Funds will own approximately % of our common stock (or % of our common stock if the underwriters' option to purchase additional shares is exercised in full). As a result, we expect to be a controlled company within the meaning of the corporate governance standards of the . See "Management—Corporate Governance—Controlled Company Status."</p>
<b>Risk factors</b>	<p>Investing in our common stock involves a high degree of risk. See "Risk Factors" elsewhere in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.</p>

**Proposed trading symbol**

“IAS.”

The number of shares of common stock to be outstanding following this offering is based on \_\_\_\_\_ shares of common stock outstanding as of March 31, 2021, after giving effect to the Corporate Conversion, and excludes \_\_\_\_\_ million shares of common stock reserved for future issuance under our 2021 Omnibus Incentive Plan (the “2021 Plan”), which will be adopted in connection with this offering.

Unless otherwise indicated, all information in this prospectus assumes:

- the completion of the transactions described in the section titled “Corporate Conversion”;
- the filing of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, each in connection with the closing of this offering; and
- no exercise by the underwriters of their option to purchase up to \_\_\_\_\_ additional shares of common stock.

### SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables summarize our consolidated financial data and other data. We derived the summary consolidated statements of operations and comprehensive loss data for the years ended December 31, 2019 and 2020, the selected consolidated statement of cash flows data for the years ended December 31, 2019 and December 31, 2020 and summary consolidated balance sheet data as of December 31, 2020 from our audited consolidated financial statements included elsewhere in this prospectus. We derived the summary consolidated statement of operations and comprehensive loss data and selected consolidated statement of cash flows data for the three months ended March 31, 2020 and 2021, and summary consolidated balance sheet data as of March 31, 2021 from our unaudited interim condensed consolidated financial statements that are included elsewhere in this prospectus. In the opinion of management, the unaudited interim condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments, which are necessary for a fair statement of the financial information contained in those statements. Our historical results are not necessarily indicative of the results that may be expected in the future. The following summary consolidated financial data and other data should be read in conjunction with the sections titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Selected Consolidated Financial Data” and our consolidated financial statements and related notes included elsewhere in this prospectus.

*(in thousands, except unit, per unit, Net Loss Margin, Adjusted EBITDA margin and Other Data)*

	Year Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
<b>Consolidated Statement of Operations and Comprehensive Loss:</b>				
Revenue	\$ 213,486	\$ 240,633	\$ 54,042	\$ 66,952
Operating expenses:				
Cost of revenue (excluding depreciation and amortization shown below)	33,107	40,506	9,155	11,420
Sales and marketing	71,300	66,022	18,370	16,545
Technology and development	40,403	48,991	12,336	12,769
General and administrative	32,135	33,286	7,640	8,547
Depreciation and amortization	70,327	65,708	16,338	14,395
Total operating expenses	<u>247,272</u>	<u>254,513</u>	<u>63,839</u>	<u>63,676</u>
Operating (loss) income	(33,786)	(13,880)	(9,797)	3,276
Interest expense, net	(32,994)	(31,570)	(8,258)	(6,960)
Net loss before benefit from income taxes	(66,780)	(45,450)	(18,055)	(3,684)
Benefit from income taxes	15,432	13,076	3,611	912
Net loss	\$ (51,348)	\$ (32,374)	\$ (14,444)	\$ (2,772)
Net loss margin	<u>(24)%</u>	<u>(13)%</u>	<u>(27)%</u>	<u>(4)%</u>
Other comprehensive income (loss):				
Foreign currency translation adjustments	421	4,348	(1,914)	(1,904)
Total comprehensive loss	<u>\$ (50,927)</u>	<u>\$ (28,026)</u>	<u>\$ (16,358)</u>	<u>\$ (4,676)</u>
<b>Per Unit Data:</b>				
Net loss per unit:				
Net loss per unit, basic and diluted	<u>\$ (94.42)</u>	<u>\$ (58.45)</u>	<u>\$ (26.08)</u>	<u>\$ (5.01)</u>
Weighted average units outstanding				
Basic and diluted	<u>543,840</u>	<u>553,902</u>	<u>553,938</u>	<u>553,751</u>
Pro forma net loss per share				
Basic and diluted(1)	\$	\$		

(in thousands, except unit, per unit, Adjusted EBITDA margin and Other Data)

	Year Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
<b>Consolidated Statement of Cash Flow Data:</b>				
Net cash provided by (used in) operating activities	\$ (1,854)	\$33,937	1,409	7,697
Net cash provided by (used in) investing activities	\$(25,034)	\$(9,662)	(4,899)	(6,377)
Net cash provided by (used in) financing activities	\$ 13,656	\$(1,696)	(612)	(1,338)
<b>Non-GAAP Financial Data:</b>				
Adjusted EBITDA <sup>(2)</sup>	\$ 38,777	\$56,396	\$ 6,693	\$18,787
Adjusted EBITDA margin <sup>(3)</sup>	18%	23%	12%	28%
<b>Other Data:</b>				
Net revenue retention of advertising customers <sup>(4)</sup>	112%	108%	132%	110%
Total advertising customers <sup>(5)</sup>	1,813	1,873	1,874	1,924
Total number of large advertising customers <sup>(6)</sup>	162	160	162	172

- (1) Pro forma basic and diluted net loss per share is computed by dividing pro forma net loss by pro forma weighted-average common shares outstanding. For the three months ended March 31, 2021, pro forma net loss is computed by decreasing net loss by \$ of interest expense, net of tax, that would not have been incurred if the offering had occurred on January 1, 2020. For the year ended December 31, 2020, pro forma net loss is computed by decreasing net loss by \$ of interest expense, net of tax, that would not have been incurred if the offering had occurred on January 1, 2020. In addition, pro forma net loss is adjusted for equity-based compensation costs related to the time-based service options. Pro forma weighted average common shares outstanding is computed by increasing the weighted average common shares outstanding by , which represents the \$ million in outstanding borrowings described in “Use of Proceeds” being repaid with the proceeds of this offering divided by the public offering price per share. This pro forma data is presented for informational purposes only and does not purport to represent what our net loss or net loss per share actually would have been had the offering and use of proceeds therefrom occurred on January 1, 2020 or to project our net loss or net loss per share for any future period.
- (2) For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net loss the most directly comparable measure calculated and presented in accordance with GAAP, see “—Selected Consolidated Financial Data—Non-GAAP Financial Measures.”
- (3) For a definition of Adjusted EBITDA margin and a reconciliation of Adjusted EBITDA margin to net loss margin the most directly comparable measure calculated and presented in accordance with GAAP, see “Selected Consolidated Financial Data —Non-GAAP Financial Measures.”
- (4) For a definition of net revenue retention, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Business Metrics—Key Performance Indicators—Net-Revenue Retention.”
- (5) For a definition of total advertising customers, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations —Key Business Metrics—Key Performance Indicators—Total Advertising Customers.”
- (6) For a definition of total number of large advertising customers, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Business Metrics—Key Performance Indicators—Total Number of Large Advertising Customers.”

<i>(in thousands)</i> <b>Consolidated Balance Sheet Data (at end of period):</b>	March 31, 2021	
	Actual	Pro Forma as Adjusted <sup>(1)</sup> (2)
Cash and cash equivalents	\$ 50,751	\$
Total assets	\$ 838,529	\$
Working capital	\$ 93,104	\$
Long-term debt	\$ 351,780	\$
Accumulated deficit	\$(130,322)	\$
<b>Total liabilities and members' equity</b>	<b>\$ 838,529</b>	<b>\$</b>

- (1) The pro forma as adjusted column reflects: (i) the pro forma adjustments following (a) the completion of the Corporate Conversion and (b) the filing and effectiveness of our restated certificate of incorporation in Delaware, which will occur immediately prior to the completion of this offering; (ii) the sale of \_\_\_\_\_ shares of our common stock in this offering at an assumed initial public offering price per share of \$ \_\_\_\_\_ (the midpoint of the estimated offering price range set forth on the cover page of this prospectus), after deducting underwriting discounts and commissions and estimated offering expenses payable by us; and (iii) the application of the net proceeds from this offering as set forth under the section titled "Use of Proceeds."
- (2) The pro forma as adjusted information discussed above is illustrative only and will depend on the actual initial public offering price and other terms of this offering determined at pricing. Each \$1.00 increase or decrease in the assumed initial public offering price per share of \$ \_\_\_\_\_ (the midpoint of the estimated offering price range set forth on the cover page of this prospectus), would increase or decrease, as applicable, each of our pro forma as adjusted cash and cash equivalents, total assets, working capital, and total members' deficit by approximately \$ \_\_\_\_\_ million, assuming the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each 1.0 million share increase or decrease in the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, would increase or decrease, as applicable, each of our pro forma as adjusted cash and cash equivalents, total assets, working capital, and total members' deficit by approximately \$ \_\_\_\_\_ million, assuming no change in the assumed initial public offering price per share and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

## RISK FACTORS

*This offering and an investment in our common stock involve a high degree of risk. You should carefully consider the risks described below, together with the financial and other information contained in this prospectus, before you decide to purchase shares of our common stock. If any of the following risks actually occurs, our business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected. As a result, the trading price of our common stock could decline and you could lose all or part of your investment in our common stock.*

### Risks Related to COVID-19

***Economic downturns and market conditions beyond our control, including as a result of the COVID-19 pandemic, could materially adversely affect our business, operating results, financial condition and prospects.***

Our business depends on global economic conditions, the overall demand for global digital advertising spending and on the economic health of customers that benefit from our platform. Unstable market conditions make it difficult for our customers and us to accurately forecast and plan future business activities, and could cause our customers to reduce or delay their spending with us. Economic downturns or unstable market conditions may cause customers to decrease their marketing and advertising budgets, which could reduce spending through our platform and adversely affect our business, financial condition, and results of operations. As we explore new countries to expand our business, economic downturns or unstable market conditions in any of those countries could result in our investments not yielding the returns we anticipate.

Presently, the COVID-19 pandemic has resulted in severe market disruptions and a global economic slowdown for certain goods and services. The severity, magnitude and duration of the current COVID-19 pandemic is uncertain and rapidly changing. The COVID-19 pandemic has resulted in governmental authorities implementing numerous measures to try to contain the virus, such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact all or portions of our facilities, workforce, and operations, the behavior of our end consumers and the operations of our respective vendors and suppliers. While these measures have not had a material adverse impact on our results of operations to date, our results of operations could be materially adversely affected in the future if such measures were to continue or new measures are imposed. For example, additional countries, including Canada, the United Kingdom (the "U.K."), and France, among others, have recently gone back into lockdown, implemented curfews or increased further nationwide restrictions over concerns of increasing COVID transmission rates. Concern over the impact of COVID-19 may delay the purchasing decisions of certain prospective customers and/or cause them to consider purchasing solutions than originally anticipated. While governmental authorities have taken measures to try to contain the COVID-19 pandemic, there is considerable uncertainty regarding such measures and potential future measures. There is no certainty that measures taken by governmental authorities will be sufficient to mitigate the risks posed by the COVID-19 pandemic or to prevent a resurgence in the infection rates, and there is uncertainty regarding the effectiveness of the vaccines against new strains or variants of COVID-19 and the general availability of COVID-19 vaccines, which could impact our ability to perform critical functions.

In response to disruptions caused by the COVID-19 pandemic, we have implemented a number of measures designed to protect the health and safety of our workforce and position us to maintain our healthy financial position. These measures include restrictions on business travel, the institution of work-from-home policies and the implementation of strategies for workplace safety at our facilities to the limited extent that they remain open and our employees need to access them. We are following the guidance from local public health officials and government agencies with respect to such facilities, including implementation of enhanced cleaning measures, social distancing guidelines, and wearing of masks. We will continue to incur increased costs for our operations during this pandemic that are difficult to predict with certainty. In particular, our remote work arrangements for employees, coupled with stay-at-home orders and quarantines, pose challenges for those employees and our IT



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systems, and extended periods of remote work arrangements could strain our business continuity plans, introduce operational risk, including cybersecurity and IT systems management risks. As a result, our business, results of operations, cash flows, or financial condition may be affected by COVID-19 related disruptions and could continue to be adversely impacted in the future. There is no assurance the measures we have taken or may take in the future will be successful in managing the uncertainties caused by the COVID-19 pandemic.

As a result of the COVID-19 pandemic, we may (i) decide to postpone or cancel planned investments in our business in response to changes in our business, or (ii) experience difficulties in recruiting or retaining personnel, each of which may impact our ability to respond to our customers' needs and fulfill contractual obligations. In addition, we rely upon third parties for certain critical inputs to our business and platform, such as data integrations with proprietary platforms, data centers, and technology infrastructure. Any disruptions to services provided to us by third parties that we rely upon to provide our platform, including as a result of COVID-19 or other actions outside of our control, could significantly impact the continued performance of our platform.

The COVID-19 pandemic has also significantly increased economic and demand uncertainty globally, as well as record levels of unemployment in the U.S. As a result, the COVID-19 pandemic has caused an economic slowdown, and it is possible that it could cause a global recession. This economic uncertainty of the COVID-19 pandemic has and could again lead to a general decrease in consumer spending and decrease in consumer confidence. More specifically, COVID-19 has already and could (i) continue to cause advertisers to pause advertising spending due to market uncertainty, (ii) require advertisers to reposition messaging or (iii) cause reductions in overall advertising spending budgets. Our sales, results of operations and cash flows depend on the overall demand for our platform. Some of our customers have experienced and may continue to experience financial hardships that, to date, have resulted in minimal instances of delayed or uncollectible payments, though this could increase in the future. Additionally, certain industry sectors that comprise part of our client base and spend heavily on advertising, such as travel and entertainment, may see prolonged financial difficulty that may result in further delays or reductions in advertising spending. To add to the uncertainty, the pace and nature of any economic recovery is unclear after this unprecedented shutdown of the economy. As a result, we may be susceptible to increased customer churn as a result of the current COVID-19 pandemic.

The severity, magnitude, and duration of the current COVID-19 pandemic is uncertain, rapidly changing and hard to predict and depends on events beyond our knowledge or control. These and other impacts of the COVID-19 pandemic could have the effect of heightening many of the other risks described in this "Risk Factors" section, such as those relating to our reputation, product sales, results of operations, or financial condition. We might not be able to predict or respond to all impacts on a timely basis to prevent near- or long-term adverse impacts to our results. As a result, we cannot at this time predict the impact of the COVID-19 pandemic with certainty, but it could have a material adverse effect on our business, results of operations, financial condition, and cash flows.

### **Risks Relating to Our Business and Strategy**

***Our revenue and results of operations are highly dependent on the overall demand for advertising. Factors that affect the amount of advertising spending, such as economic downturns, instability in political or market conditions generally, and any changes in tax treatment of advertising expenses, can make it difficult to predict our revenue and could adversely affect our business, results of operations, and financial condition.***

Our business depends on the overall demand for advertising and on the economic health of our current and prospective advertiser and publisher customers. Various macroeconomic factors could cause advertisers to reduce their advertising budgets, including adverse economic conditions and general uncertainty about economic recovery or growth, particularly in North America, Europe, and Asia, where we do most of our business; instability in political or market conditions generally; and any changes in tax treatment of advertising expenses and the deductibility thereof. Generally, the U.S. and other key international economies have been affected from

time to time by falling demand for a variety of goods and services, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, bankruptcies, and overall uncertainty with respect to the economy, including with respect to tariff and trade issues. In particular, the economies of countries in Europe have been experiencing weakness associated with high sovereign debt levels, weakness in the banking sector, uncertainty over the future of the Eurozone and volatility in the value of the pound sterling and the Euro, including any instability possibly caused by the implementation of the withdrawal agreement for Brexit, which went into effect on January 1, 2021. We have operations, as well as current and potential new customers, throughout most of Europe. If economic conditions in Europe and other key markets for our platform continue to remain uncertain or deteriorate further, it could adversely affect our customers' ability or willingness to utilize our platform, delay prospective customers' purchasing decisions, and affect renewal rates, all of which could harm our operating results. Reductions in overall advertising spending as a result of these factors or the inability of advertisers to meet their commitments could make it difficult to predict our revenue and could adversely affect our business, results of operations, and financial condition.

***If we fail to innovate and make the right investment decisions in our offerings and platform, including responding to technological changes or upgrading our technology systems, we may not attract new customers and retain customers and our revenue and results of operations may decline.***

Our industry is subject to rapid and frequent changes in technology, evolving customer needs, and the frequent introduction by our competitors of new and enhanced offerings. We must constantly make investment decisions regarding offerings and technology to meet customer demands and evolving industry standards and our success depends on our ability to adapt and innovate. Examples of innovation and technological changes that we have had to manage include, for example: (i) developing solutions for measuring in a mobile and in-app context as consumers and advertisers shifted to these environments, (ii) developing the necessary integrations and data ingestion methods to provide verification services for Walled Gardens as this channel became a greater portion of digital ad spend, and (iii) innovating and investing into contextual capabilities to complement historical methods such as keyword based solutions. We may make wrong decisions regarding these investments. If new or existing competitors introduce new products and services using new technologies or if new industry standards and practices emerge, we may lose customers or customers may decrease their use of our platform. New customer demands, superior competitive offerings, or new industry standards could require us to make unanticipated and costly changes to our platform or business model. If we do not have sufficient capital to make these costly changes or to prioritize the research and development required to keep pace with the competition, our offerings may become obsolete and may cause a material adverse effect to our business, results of operations, and financial condition.

Even if we are able to meet the demands for these unanticipated and costly changes to our platform or business model, the impact of such rapid innovation could cause issues with integrating our new offerings and platform into our proprietary platforms' solutions within a reasonable timeframe. We cannot assure you that our updated solutions will be compatible or accepted by our integration partners. Any delay or failure in integration may cause missing data or delays in data analysis, which could cause our customers to become dissatisfied with our services, cause a loss of customers and may adversely impact our business, results of operations, and financial condition.

If we fail to adapt to our rapidly changing industry or to evolving customer needs as priorities shift or keep pace with rapid technological developments, the solutions we deliver may become less marketable and less competitive. If we are unable to properly identify and prioritize appropriate solution development projects or if we fail to develop and effectively market new solutions or enhance existing solutions to address the needs of existing and new customers, we may not be able to achieve or maintain adequate market acceptance and penetration of our solutions, and our solutions may become less competitive or obsolete, demand for our platform could decrease and our business, financial condition, and operating results may be adversely affected.

***If our existing and future product offerings fail to maintain or achieve industry accreditation standards, customer acceptance of our products may decrease which could have a material adverse effect on our business and results of operations.***

The market for our products is characterized by changes in protocols and evolving industry standards. Industry associations such as the Advertising Research Foundation, the Council of American Survey Research Organizations, the IAB, the TAG, the GARM, which is comprised of advertisers, agencies, media companies, platforms and industry organizations, the MRC, a voluntary trade organization, and internationally-based industry associations have independently initiated efforts to either review market research and rating methodologies across the media that we measure or develop minimum standards for such research and rating. Accreditation is only granted on a per metric basis rather than on a product or solution. In order to attain accreditation for new metrics tied to new solutions, the processes supporting new solutions must be reviewed to ensure that they are accurately processing data used to create the metrics. The process of obtaining such accreditations is costly, lengthy and there are often significant delays in achieving such accreditation. As a result, even if we are able to obtain such accreditations for our product offerings, we typically incur significant costs in obtaining such accreditations and the process of obtaining such accreditations delays our ability to market such product offerings as accredited by one or more industry associations. Moreover, metrics must be accredited before they will achieve widespread acceptance by the industry and our customers.

Additionally, these accreditation organizations could determine that there is a uniform standard that must be achieved by companies seeking accreditation, which could have the effect of limiting the methods of operations among competitors and could lead to commoditization of our industry and harm our ability to effectively compete by inhibiting our ability to differentiate our services from those of our competitors.

Failure to achieve accreditation for any of our product offerings, delays in obtaining such accreditations, or adverse audit findings may negatively impact the market acceptance of our products and could cause us to lose customers, and could delay acceptance of new product offerings by the industry and our customers. Meanwhile, successful accreditation or audits may lead to costly changes to our procedures and methodologies and may have an adverse effect on our business and results of operations.

***If we are unable to provide digital or cross-platform analytics, or if our analytics are incomplete, our ability to maintain and grow our business may be harmed.***

Our business provides buy-side post-buy verification and programmatic pre-bid solutions; on the sell-side, we provide verification and optimization solutions for publisher and media companies that enable the measurement and targeting of inventory against ad viewability, ad fraud, invalid traffic, brand safety, and suitability metrics across platforms, such as display, video, desktop, mobile, connected TV, open web, browser, in-app, and more.

If we are unable to gain or maintain access to information necessary to measure campaign performance, or if we are unable to utilize such information in the development or enhancement of our programmatic pre-bid solutions or of our data sets and models, or if we are unable to do any of the foregoing on commercially reasonable terms, our ability to meet our customers' demands and our business and financial performance may be harmed. Furthermore, even if we do have access to complete data covering channels such as display, video, connected TV, mobile and desktop, if we have insufficient technology, encounter challenges in our methodological approaches or inadequate source materials to parse the information across such channels or to do so in a cost-effective manner, our products may be inferior to other offerings, and we may be unable to meet our customers' demands. In such an event, our business and financial performance may be harmed.

In particular, rather than being able to collect data directly from our technology (e.g., ad tags, pixels and SDKs) like we do on the open web, our ability to access data necessary for the measurement of campaigns with proprietary platforms, such as Facebook and YouTube among others, depends on our continued access to their

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proprietary platforms or certain segments of their proprietary platforms for research or measurement purposes. For example, we rely on Facebook and YouTube to provide us with access to mutually agreed upon data elements and signals for purposes of enabling the measurement and targeting of Facebook and YouTube inventory on behalf of advertisers. These proprietary platforms could limit our access to their data as a result of technologically changes or changes to their access terms. Moreover, while our contracts with these proprietary platforms generally renew automatically, many of our contracts with these proprietary platforms allow the platform to terminate their agreements with us without cause and subject to short notice periods. Such terminations would significantly limit our ability to access data that is necessary for the measurement of our advertiser customers' respective campaigns within the relevant proprietary platforms. There can be no assurance that such proprietary platforms will not limit or terminate our access to their data in the future, whether for competitive or other reasons. Moreover, as display, video, connected TV, mobile, and desktop viewing continue to proliferate, gaining and maintaining cost-effective access to display, video, connected TV, mobile and desktop data is already and will continue to become increasingly critical, and we could face difficulty in accessing data relating to those platforms.

If we are unable to maintain our access to these proprietary platforms, establish access with new platforms, or otherwise acquire or access data that we need for research or measurement purposes effectively and efficiently, or if the cost of data acquisition increases, our business, financial condition, we may be unable to provide certain digital or cross-platform analytic and our results of operations could be materially and adversely affected.

### ***We rely on integrations with advertising platforms, DSPs, proprietary platforms and ad servers, over which we exercise very little control.***

Our business depends on our ability to integrate our solutions with a variety of third-party advertising platforms, DSPs, proprietary platforms and ad services. We have formed partnerships with these platforms to integrate our technology with their software and product offerings, allowing our customers to utilize our solutions wherever they purchase or place an ad. For example, we rely on integration with Google in order to provide automated tag wrapping functionalities. Google may deploy code or change operations that may impact joint solution and combined functionality, which would have a significant effect on our ability to offer our products. Some of these integration partners have significant market share in the segment in which they operate. To date, we have relied on written contracts to govern our relationships with these partners. However, these are subject to change by such providers from time to time and in many instances the provider may choose to terminate these contracts without cause and with short notice periods. Many of these agreements are short term with automatic renewal provisions, and there can be no assurances that such providers will agree to renew their agreements with us. Moreover, such providers may choose to stop integrating with our solutions and may unilaterally stop providing us with data necessary to our business if they acquire a competitor which provides services similar to ours or if they begin to deliver services similar to ours on their own. For example, regarding our data measurements services, a provider such as YouTube has established a formal measurement program through which participants need to be approved by Google in order to participate. YouTube could adversely impact our operations in the future by limiting our data access from their platform altogether, restricting access to data to only a select few vendors or taking away our certification within its measurement program. We cannot assure you that our existing integration partners will continue to, or that potential new integration partners will agree to, integrate our solutions. We also cannot assure you that our customers will continue to use our solutions available on these digital media platforms or that our integration partners will not develop and market products that compete with us in the future. Such integrations may not be replaceable, and so loss of any such integrations could materially impact our business and our results of operations and we may lose customers. For the years ended December 31, 2019 and December 31, 2020, 32% and 36%, respectively, of our total revenue from customers was facilitated by our partnerships with DSPs, of which two DSP partnerships facilitated 15.5% and 6% of our total revenue from customers for the year ended December 31, 2019 and 17% and 8.5%, of our total revenue from customers for the year ended December 31, 2020.

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Even if our partners continue their agreements and partnerships with us, we continuously are required to update and enhance our solutions to adapt to changes in software, networking, browser, and database technologies. For example, we may be forced to make changes based on a unilateral change that an integration partner makes to its platform in order to integrate our products or to have the integration operate in the same manner that it did prior to the integration partner's change. The integration partner's change may cause a malfunction in the integration and cause a break in services. We cannot assure you that our updated solutions will be compatible or accepted by our integration partners.

Additionally, some of our partners are subject to regulatory actions, which, if successful, could cause our partners to be broken into separate companies. For example, Facebook has been sued by state prosecutors and federal regulators with allegations that the company is taking illegal actions to acquire rivals and stifle competition. If our partners and their products are separated into separate companies, it could have a material effect on our ability to gather data and there can be no assurance that all of the separated companies will continue to be our partner, each of which could materially affect our business, results of operations, and revenues.

Our business and revenues could also be affected by social issues or disruptions. For example, if there is public disapproval or boycotting of a specific platform, such as Facebook or other proprietary platforms, our ability to optimize ad placement or to forecast usage may be impacted based on unforeseen trends or events. Additionally, how we categorize specific sites in the course of our normal business operations could expose us to risks from publishers or advertisers who could disagree with our categorizations and incur negative ramifications if they believe their ads were monetarily contributing to websites that contribute to the spread of hate speech, disinformation, white supremacist activity, or voter suppression efforts, among other things. If publishers or advertisers believe our categorizations are faulty or unreliable, they may pull back on advertising, which could affect our business, revenues, and results of operations.

In addition, we rely on our DSP partners to report to us on the usage of our pre-bid and contextual targeting solutions on their platforms, as well as revenue generated on their platforms. The timing of these reports is fixed per DSP, and variations impact our ability to derive insights, particularly granular insights into usage, and potentially impacts our ability to accurately forecast. Any financial or other difficulties our integration partners face may negatively impact our business, as a significant portion of our revenue depends on customers using our solutions on these digital media platforms, and we are unable to predict the nature and extent of any such impact. We exercise very little control over our integration partners, which increases our vulnerability to problems with the services they provide and our reliance upon them for accurate data and revenue reporting. If our proprietary platform partners intentionally or unintentionally cause data delays or if data is missing, our reporting and ability to deliver our products and services would be adversely impacted and we would be unable to accurately forecast our revenue due to our inability to see the volume of impressions. Any errors, failures, interruptions, or delays experienced in connection with our integration partners could adversely affect our business, reputation, forecasts, and financial condition.

***The market in which we participate is intensely competitive, both from established and new companies, and we may not be able to compete successfully with our current or future competitors.***

We operate in a highly competitive and rapidly changing industry with barriers to entry being increasingly lowered and single-solution providers entering the market and competing with certain aspects of our solutions. We expect competition to persist and intensify in the future, which could harm our ability to increase revenue and maintain profitability. The market for measurement, data analytics, and verification of digital advertising is competitive and evolving rapidly as market participants develop and offer new products and services, which could lead to commoditization and harm our ability to effectively compete in our industry.

We compete with established verification and measurement companies such as DoubleVerify and Oracle's MOAT and Grapeshot, as well as point solution (e.g., fraud) providers such as HUMAN. These competitors may be able to, among other things, provide accurate and reliable data insights on brand suitability and existence of ad

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fraud, innovate, and adapt product offerings to emerging digital media technologies, offer solutions that meet changing customer needs, negotiate more favorable revenue share agreements with DSPs, and otherwise execute on their growth strategies more effectively than we can.

We may also face competition from new companies entering the market, including large established companies and companies that we do not yet know about or do not yet exist. These companies may have massive resources (e.g., Oracle or Nielsen) to acquire or internally develop solutions that compete directly with ours. As we introduce new solutions, as our existing solutions evolve and as other companies introduce new products and solutions, we are likely to face additional competition. If existing or new companies develop, market, or resell competitive high-value products or services or if they acquire one of our existing competitors or form a strategic alliance with one of our competitors, our ability to compete effectively could be significantly compromised and our results of operations could be harmed. For example, if competitors like DoubleVerify were to be acquired by one of the larger proprietary platforms, the proprietary platforms that we rely upon to provide our services may limit our access to their platforms, refuse to integrate our products or, regarding our data measurements services, a provider such as YouTube could materially impact our operations by limiting our data access from their platform altogether. Relatedly, if the larger proprietary platforms that we rely upon for significant portions of our business, such as YouTube, were to develop and begin providing services similar to ours in-house, they may terminate our contracts and restrict our access to their data (which some proprietary platforms, including with respect to platforms that we rely upon for significant portions of our business, can do at any time without cause and with short notice periods), refuse to allow us to integrate with their products, and generally adversely affect our operations, revenues, and ability to conduct our operations. As of March 31, 2021, we had contracts with DSPs and proprietary platforms, including Google, Facebook, and The Trade Desk, that would individually or in the aggregate materially affect our revenue and results of operations if the contracts were terminated.

Our potential competitors may have significantly more financial, technical, marketing and other resources than we have, larger intellectual property portfolios and broader global distribution and presence, which may allow them to devote greater resources to the development, promotion, sale and support of their products and services. They may also have more extensive relationships than we have and may be better positioned to execute on product introductions or integration with proprietary platforms. Some of our competitors, such as Nielsen, may have a longer operating history and greater name recognition. As a result, these competitors may be better able to respond quickly to new technologies, develop deeper relationships, or offer services at lower prices. Any of these developments would make it more difficult for us to sell our platform and could result in increased pricing pressure, increased sales and marketing expense or the loss of market share, which could cause us to decrease the prices we charge or accept less favorable terms for our solutions in order to remain competitive. If we are unable to compete successfully against our current and future competitors, we may not be able to retain and/or increase sales to existing customers and acquire new customers, and our business, financial condition, and results of operations could be adversely affected.

***We may be exposed to risk as a result of our third parties, and we may not be able to recover such losses from them.***

We rely on integrations with advertising platforms, DSPs, proprietary platforms and ad servers, over which we exercise very little control. Issues surrounding our integrations may arise as a result of our or our partners' systems. For example, a significant reduction in the volume of data received from an integration partner could prevent us from effectively providing services to our customers. Similarly, in the context of an ad server integration, ads may not be properly delivered to their intended webpages or applications due to an integration issue. These delays in data, ad delivery failures or the ability to integrate our products to partner platforms could impact customer satisfaction and prevent us from providing the services we are contractually obligated to provide. In addition, such delays and failures could delay our ability to invoice our clients, and clients may refuse to pay invoices or may otherwise bring claims against us or stop using our solutions. While we generally seek to disclaim liability for the acts of our partners within our customer agreements, there can be no assurances that such provisions will be effective. Our ability to recover from our integration partners is often limited, and if our

customers seek to recover from us, we may not be able to recover from our partners. We also cannot be sure that any existing general liability insurance coverage would apply in these circumstances, that any such coverage will continue to be available on acceptable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not deny coverage as to any future claim. As a result, any such delays or failures, even if caused by an integration partners, could lead to losses, claims and liability for us, and could lead to a loss of customers and damage to our reputation, any of which could have a material adverse effect on our business, financial condition and results of operations.

***Our international expansion may expose us to additional risks.***

While our historical operations have been focused in the United States, we have expanded our operations internationally in recent years to increase our customer base, infrastructure, offices, and employee count, among other things. We expect international expansion to continue in the near term, particularly in regards to our engineering operations and personnel that have been increasing in India. Our current or future international expansion may expose us to additional risks, including:

- challenges associated with relying on local partners in markets that are not as familiar to us, including local joint venture or strategic partners to help us establish our business;
- the burden of compliance with additional regulations and government authorities in a highly regulated industry;
- potentially adverse tax consequences from operating in multiple jurisdictions;
- complexities and difficulties in obtaining protection and enforcing our intellectual property in multiple jurisdictions;
- increased demands on our management's time and attention to deal with potentially unique issues arising from local circumstances; and
- general economic and political conditions internationally.

***If we are not able to maintain and enhance our brand, our business, financial condition and operating results may be adversely affected.***

We believe that developing and maintaining awareness of our brand in a cost-effective manner is critical to achieving widespread acceptance of our existing solutions and future solutions and is an important element in attracting maintaining existing and attracting new customers and partners. We believe that our success depends on advertisers and publishers valuing our trusted, authoritative, and independent position in the ecosystem, which instills trust and confidence in the media buying process for our customers. Furthermore, we believe that the importance of brand recognition will increase as competition in our market increases. Our brand may be damaged if we are unable to deliver reliable, accurate services due to any delay or failure in integration with our partners, which may cause missing data or delays in data analysis. Additionally, any disruption in our services, whether caused by technological failures or otherwise, may adversely affect our brand, even if such disruption or failure was caused by a third-party service provider. These integration failures or interruptions in our services, whether caused by us, our partners or third-party service providers, could cause our customers to become dissatisfied with our services and could cause damage to our reputation and our brand, which may have a material adverse effect on our business and operating results.

Additionally, successful promotion of our brand will depend largely on the effectiveness of our marketing efforts and on our ability to deliver valuable solutions for our customers, including advertisers and publishers. In the past, our efforts to build our brand have involved significant expense. Brand promotion activities may not yield increased revenue, and even if they do, any increased revenue may not offset the expenses that we incurred in building our brand. If we fail to successfully promote and maintain our brand, or incur substantial expenses in an unsuccessful attempt to promote and maintain our brand, we may fail to attract enough new customers or partners or retain our existing customers or partners and our business could suffer.

***Our future success will depend in part on our ability to expand into new channels.***

We deliver our solutions through various digital media channels, including display, video, social, connected TV, mobile, and desktop. In the future, we may decide to broaden the spectrum of our channels further if we believe that doing so would significantly increase the value we can offer to customers. We believe a broader platform delivering our solutions through complementary channels can enhance our value proposition for existing and prospective customers. However, any future attempts to enter new channels, such as connected TV, may not be successful and could have a significant impact on our results of operations, revenues, and future offerings.

Our success in expanding into any additional channels will depend on various factors, including our ability to:

- identify additional channels where our solutions could perform;
- adapt our solutions to additional channels and effectively market them for such additional digital marketing channels to our existing and prospective customers;
- integrate newly developed or acquired digital marketing channels into our pricing and measurement models, with a clear and measurable performance attribution mechanism that works across all channels, and in a manner that is consistent with our privacy standards;
- accumulate sufficient data sets relevant for those digital marketing channels to ensure that our solutions have sufficient quantity and quality of information to measure relevant advertisements through those additional advertising channels;
- achieve customer performance levels through the new channels that are similar to those delivered through our existing channels, and in any case that are not dilutive to the overall customer performance;
- identify and establish acceptable business arrangements with partners;
- maintain our gross margin at a consistent level upon entering one or more additional marketing channels;
- compete with new market participants active in these additional channels; and
- hire and retain key personnel with relevant technology and product expertise to lead the integration of additional channels onto our platform, and sales and operations teams to sell and integrate additional channels.

If we are unable to successfully adapt our solutions to additional channels and effectively market such offerings to our existing and prospective customers, or if we are unable to maintain our pricing and measurement models in these additional channels, we may not be able to achieve our growth or business objectives. Additionally, if the integrations and partnerships that we rely on to provide these current and future channels, such as proprietary platforms, are not readily replaced, we could suffer losses in revenues and changes in results of operations that could have a material impact.

Furthermore, if our channel mix changes due to a shift in client demand, such as customers shifting their spending more quickly or more extensively than expected to channels in which we have relatively less functionality, features, or inventory, demand for our platform could decrease, we may be required to develop new technology to effectively measure to remain competitive (e.g., social video) or may be unable to develop technology to measure and our business, financial condition, and results of operations could be adversely affected.



***We have a history of net losses and may not achieve or sustain profitability in the future, particularly if our revenue growth rate may decline.***

We experienced net losses of \$32.4 million and \$51.3 million for the years ended December 31, 2020 and 2019, respectively. As of December 31, 2020, our accumulated deficit was \$126.8 million. We experienced net losses of \$14.4 million and \$2.8 million for the three months ended March 31, 2020 and 2021, respectively. As of March 31, 2021, our accumulated deficit was \$130.3 million. We cannot assure you that we will achieve profitability in future periods, and we may continue to incur significant losses in future periods.

We cannot assure you that we will generate sufficient revenue to offset the cost of maintaining our platform and maintaining and growing our business in the future. We cannot assure you that our revenue will continue to grow or will not decline. Our revenue growth rate may decline in the future because of a variety of factors, including increased competition and the maturation of our business and our ability to convert customers from a variable model to a flat fee model. You should not consider our historical revenue growth or operating expenses as indicative of our future performance. If our revenue growth rate declines or our operating expenses exceed our expectations, our financial performance will be adversely affected. We will need to generate and sustain increased revenue levels in future periods in order to maintain or increase our level of profitability.

Additionally, we also expect our costs to increase in future periods, which could negatively affect our future results of operations. We expect to continue to expend substantial financial and other resources on acquiring and retaining customers, expanding and maintaining internet platform integrations, our technology infrastructure, research and development (including investments in our research and development team and the development of new features), expansion into new markets, marketing, and general administration (including expenses related to being a public company). These investments may not result in increased revenue or growth in our business. If we cannot successfully grow our revenue at a rate that exceeds the increases in costs associated with our business, we will not be able to maintain profitability or generate positive cash flow on a sustained basis.

***We are subject to payment-related risks and, if our customers do not pay or dispute their invoices, our business, financial condition and operating results may be adversely affected.***

We have a large and diverse customer base. Our customers may experience financial difficulty, file for bankruptcy protection or cease operations. Consequently, we may be involved in disputes with customers over the operation of our platform, the terms of our agreements or our billings for purchases made by them through our platform. If we are unable to collect or make adjustments to bills to customers, we could incur write-offs for bad debt, which could have a material adverse effect on our results of operations for the periods in which the write-offs occur. In the future, bad debt may exceed reserves for such contingencies and our bad debt exposure may increase over time. Any increase in write-offs for bad debt could have a materially negative effect on our business, financial condition, and operating results. In the event we are not paid by our customers on time or at all, our results of operations and financial condition would be adversely impacted. Further, growth and increased competitive pressure in the global digital advertising ecosystem is causing customers to demand lower costs, more services and more rapid innovation of products, resulting in overall increased focus by all industry participants on pricing, transparency, and cash and collection cycles. Some customers have experienced financial pressures that have motivated them to slow the timing of their payments to us. If customers slow their payments to us or our cash collections are significantly diminished as a result of these dynamics, our revenue and/or cash flow could be adversely affected and we may need to use working capital to fund our accounts payable pending collection from the customers. This may result in additional costs and cause us to forgo or defer other more productive uses of that working capital.

***We have revenue share agreements with certain DSPs and any material changes to those sharing arrangements could affect our costs.***

Our future growth will depend on our ability to enter into and retain successful strategic relationships with third parties, and in particular, DSPs. We have entered into long-term revenue share agreements with certain DSPs, including Google and The Trade Desk, which incentivize these partners to continue their relationship with us. Under these agreements, the DSPs receive consideration based on a percentage of the revenue that is received through the use of our products by buyers (e.g., advertisers and agencies) using these DSPs. Our contracts generally renew automatically, but there are some proprietary platform contracts that allow our partners to terminate their agreements with us (including contracts with DSPs with revenue share arrangements) without cause and with short notice periods. Such terminations would result in the loss of important partner relationships and would have an adverse impact on our business, financial condition and results of operations. In addition, if any such key DSPs or other strategic third parties negotiate or otherwise improve economic or other terms that are more favorable to them (including, for example, if a few key DSPs or strategic partners negotiate for a higher revenue share, adversely modify the revenue share arrangements within our overarching agreements with such parties), then our costs could increase, our revenue could decrease and our business, financial condition and results of operations could be materially adversely affected.

***Our sales and marketing efforts may require significant investments and, in certain cases, involve long sales cycles, which can result in significant time between initial contact with a prospect and execution of a customer contract, making it difficult to project when, if at all, we will obtain new customers and when we will generate revenue from those customers.***

Our sales cycle, from initial contact to contract execution and implementation, can take significant time, and may be impacted by a number of factors, such as customer size, number of markets and sales relationship. Our sales efforts involve educating our customers about the use, technical capabilities and benefits of our platform. Some of our customers undertake an evaluation process that frequently involves not only our platform but also the offerings of our competitors. We may spend substantial time and resources prospecting for new business or responding to requests for proposals, and it may not result in revenue. As a result, it is difficult to predict when we will obtain new customers and begin generating revenue from these new customers. Even if our sales efforts result in obtaining a new customer, for those customers contracting with us on a usage-based pricing model, the customer controls when and to what extent it uses our platform and they may delay activation and usage. As a result, we may not be able to add customers, or generate revenue, as quickly as we may expect, which could harm our growth prospects.

***If we do not manage our growth effectively, the quality of our platform and solutions may suffer, and our business, results of operations, and financial condition may be adversely affected.***

The continued growth in our business may place demands on our infrastructure and our operational, managerial, administrative, and financial resources. Our success will depend on the ability of our management to manage growth effectively. Among other things, this will require us at various times to:

- strategically invest in the development and enhancement of our platform and data center infrastructure;
- improve coordination among our engineering, product, operations, and other support organizations;
- manage multiple relationships with various partners, customers, and other third parties;
- manage international operations;
- develop our operating, administrative, legal, financial, and accounting systems and controls; and
- recruit, hire, train, and retain personnel.

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If we do not manage our growth well, the efficacy and performance of our platform may suffer, which could harm our reputation and reduce demand for our platform and solutions. Failure to manage future growth effectively could harm our business and have an adverse effect on our business, results of operations, and financial condition.

### ***Future acquisitions, strategic investments or alliances could disrupt our business and harm our business, financial condition and results of operations.***

We explore, on an ongoing basis, potential acquisitions of companies or technologies, strategic investments, or alliances to strengthen our business, however, we have limited experience in acquiring and integrating businesses, products, and technologies. While we have completed multiple acquisitions, our only experience with a complex acquisition has been the purchase of ADmantX, which required significant management resources to integrate.

Even if we identify an appropriate acquisition candidate, we may not be successful in negotiating the terms or financing of the acquisition, and our due diligence may fail to identify all of the problems, liabilities or other shortcomings or challenges of an acquired business, product or technology, including issues related to intellectual property, product quality or architecture, regulatory compliance practices, revenue recognition or other accounting practices, or employee or customer issues. Acquisitions involve numerous risks, any of which could harm our business, including:

- regulatory hurdles;
- anticipated benefits may not materialize;
- an acquisition may result in a delay or reduction of purchases for both us and the company that we acquired due to uncertainty about continuity and effectiveness of solution from either company;
- use cash that we may otherwise need for ongoing or future operation of our business;
- we may encounter difficulties in, or may be unable to, successfully sell any acquired products or solutions;
- diversion of management time and focus from operating our business to addressing acquisition integration challenges;
- assume substantial debt or other liabilities, which may be on terms unfavorable to us or that we are unable to repay;
- retention of key employees from the acquired company;
- cultural challenges associated with integrating employees from the acquired company into our organization and challenges inherent in effectively managing an increased number of employees in diverse locations;
- an acquisition may involve the entry into geographic or business markets in which we have little or no prior experience or where competitors have stronger market positions;
- potential strain on our financial and managerial controls and reporting systems and procedures;
- integration of the acquired company's products and technology;
- integration of the acquired company's accounting, management information, human resources, and other administrative systems;
- the need to implement or improve controls, procedures and policies at a business that, prior to the acquisition, may have lacked effective controls, procedures, and policies;
- coordination of product development and sales and marketing functions;

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- liability for activities of the acquired company before the acquisition, including relating to privacy and data security, patent and trademark infringement claims, including without limitation, liabilities associated with products or technologies accused or found to infringe on third-party intellectual property rights or violate existing or future privacy regulations; violations of laws, commercial disputes, tax liabilities, and other known and unknown liabilities; and
- litigation or other claims in connection with the acquisition, including claims from terminated employees, customers, former stockholders, or other third parties.

Failure to appropriately mitigate these risks or other issues related to such acquisitions and strategic investments could result in reducing or completely eliminating any anticipated benefits of transactions, and harm our business generally. Future acquisitions could also result in dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities, amortization expenses or the impairment of goodwill, any of which could harm our business, financial condition, and results of operations.

***Our ability to achieve our anticipated growth plans will depend on our ability to expand our center of excellence in India in a cost efficient manner.***

Our ability to grow our business and meet our growth plans will depend on our ability to continue to expand our software engineering team. While we are in the process of expanding our center of excellence in India in order to meet these growth plans in a cost efficient manner, there is no assurance that we will be able to achieve our expansion plans or that our reliance upon resources in India will enable us to achieve meaningful cost reductions or greater resource efficiency. Further, our development efforts and other operations in India involve significant risks, including difficulty hiring and retaining appropriate software engineering and management resources due to intense competition for such resources and resulting wage inflation and differing labor laws, knowledge transfer related to our technology and resulting exposure to misappropriation of intellectual property or information that is proprietary to us, our customers, and other third parties, heightened exposure to changes in economic, security, and political conditions in India, and fluctuations in currency exchange rates and tax compliance in India. Difficulties resulting from the factors noted above and other risks related to our operations in India and other jurisdictions could increase our expenses, impact our growth plans, harm our competitive position and damage our reputation.

***Our international operations require increased expenditures and impose additional risks and compliance imperatives, and failure to successfully execute our international plans will adversely affect our growth and operating results.***

We have numerous operations outside of North America, including in the U.K, the European Union (the “E.U.”), Japan, India, Singapore, and Australia. Our initial international offices were formed in 2013 and nearly all of our subsequent offices have been formed within the past five years. Up until 2020, our international offices have been predominantly sales, customer support, marketing and general and administrative groups.

For sales development, our business strategy includes expanding our customer base internationally, in particular in LatAm and the APAC region. Our ability to manage and expand our business and conduct our operations internationally requires considerable attention and resources. Attracting new customers outside the U.S. may require more time and expense than in the U.S., in part due to language barriers and the need to educate such customers about our platform, and we may not be successful in establishing and maintaining these relationships. Additionally, in emerging markets, the cost of our verification services make up a large percentage of the buyer’s media budget, as costs of media in emerging countries are low when compared to developed countries. Within these countries, we often adjust or make concessions to our pricing in order to enter and sell in such markets. As a result, there can be no assurance that we will be successful in expanding our customer base internationally in a cost-effective manner or at all.

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The data center and network infrastructure in some overseas markets may not be as reliable as in North America and Europe, which could disrupt our platform and operations. In addition, our international operations will require us to develop and administer our internal controls and legal and compliance practices in countries with different cultural norms, languages, currencies, legal requirements, and business practices than the U.S., which may burden management, increase travel, infrastructure and legal compliance costs, and add complexity to our enforcement of advertising standards across languages and countries. International operations also impose risks and challenges in addition to those faced in the U.S. including:

- management of a distributed workforce;
- nearly all of our teams in locations outside the U.S., with the exception of our growing operations in India, are substantially smaller than some of our teams in the U.S., which may make it hard to grow in international markets;
- the need for sales representatives to be recruited, hired, and retained locally in increasing numbers of countries abroad;
- the slower adoption and acceptance of our services in other countries;
- the need for localized software and licensing programs;
- the need for localized language support;
- the need to adapt our offering to satisfy local requirements, standards, local laws, and regulations, including those relating to privacy, cybersecurity, data security, antitrust, data localization, anti-bribery, import and export controls, economic sanctions, tax and withholding (including overlapping of different tax regimes), varied labor and employment laws (including those relating to termination of employees), corporate formation and other regulatory limitations or obligations on our operations (such as obtaining requisite licenses), and the increased administrative costs and risks associated with such compliance;
- geopolitical and social factors, such as concerns regarding negative, unstable or changing economic conditions in the countries and regions where we operate, global and regional recessions, political instability, and trade disputes;
- laws and business practices that may favor local competitors;
- legal requirements or business expectations that agreements be drafted and negotiated in the local language and disputes be resolved in local courts according to local laws;
- the need to enable transactions in local currencies;
- difficulties in invoicing and collecting in foreign currencies and associated foreign currency exposure and longer accounts receivable payment cycles and other collection difficulties;
- higher levels of credit risk and payment fraud;
- working capital constraints;
- the effect of global and regional recessions and economic and political instability;
- potentially adverse tax consequences in the U.S. and abroad; staffing challenges, including difficulty in recruiting and retaining qualified personnel as well as managing such a diversity in personnel;
- reduced or ineffective protection of our intellectual property rights in some countries;
- future possible changes in U.S. regulations on exports of U.S. technologies or dealings with certain countries or parties; and
- costs and restrictions affecting the repatriation of funds to the U.S.

One or more of these requirements and risks may make our international operations more difficult and expensive or less successful than we expect, and may preclude us from operating in some markets. There is no assurance that our international expansion efforts will be successful, and we may not generate sufficient revenue or margins from our international business to cover our expenses or contribute to our growth.

***Certain of our operating results and financial metrics may be difficult to accurately predict as a result of seasonality.***

We have experienced, and expect to continue to experience in the future, seasonality in our business, and our operating results and financial condition may be affected by such trends in the future. We generally experience seasonal fluctuations in demand for our solutions and services, and believe that our quarterly sales are affected by industry buying patterns. For example, many marketers tend to devote a significant portion of their budgets to the fourth quarter of the calendar year to coincide with consumer holiday spending and to reduce spend in the first quarter of the calendar year. We believe that the seasonal trends that we have experienced in the past may continue for the foreseeable future, particularly as we expand our sales to larger organizations. To the extent we experience this seasonality, it may cause fluctuations in our operating results and financial metrics, and make forecasting our future operating results and financial metrics difficult. Additionally, we do not have sufficient experience in selling certain of our solutions and products to determine if demand for these services are or will be subject to material seasonality.

***Our revenue model depends on high impression volumes, the growth of which may not be sustained.***

We generate revenue by charging a CPM based on the volume of purchased digital ads that we measure on behalf of these customers. If the volume of impressions we measure does not continue to grow or decreases for any reason, our business will suffer. For example, if digital ad spending remains constant and our advertiser customers transition to higher CPM ad inventory, overall impression volumes may decrease, which may result in fewer impressions for us to verify and a corresponding decline in our revenues. We cannot assure you that growth in volume of impressions will be sustained. If our customers adjust their buying patterns or alter their preference to higher CPM ad inventory, our business, financial condition, and results of operations may be harmed.

***We have a short operating history, which makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful.***

We have a relatively short operating history, which limits our ability to forecast our future operating results and subjects us to a number of uncertainties, including with respect to our ability to plan for and model future growth. We may not be able to sustain our current rate of growth or maintain our current revenue levels. We have encountered and will continue to encounter risks and uncertainties frequently experienced by growing companies in developing industries. If our assumptions regarding these uncertainties, which we use to manage our business, are incorrect or change in response to changes in our markets, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations, our business could suffer and our stock price could decline. Any success that we may experience in the future will depend in large part on our ability to, among other things:

- maintain and expand our agreements and integrations with DSPs, proprietary platforms, and other digital advertising technology providers;
- build and maintain long-term relationships with customers, including advertisers, agencies, and publishers;
- develop and offer competitive solutions and products that meet the evolving needs of customers and build a reputation for providing a superior platform and client service;
- maintain a reputation of being a trusted and authoritative source for third-party verification;

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- improve the performance and capabilities of our solutions and products;
- successfully expand our business domestically and internationally;
- successfully compete with and distinguish ourselves from other companies that are currently in, or may in the future enter, the markets for our solutions and products;
- increase market awareness of our solutions and products and enhance our brand;
- continue to develop, and increase market adoption of, our solutions and products;
- manage increased operating expenses as we continue to invest in our infrastructure to scale our business and operate as a public company; and
- attract, hire, train, integrate, and retain qualified and motivated employees.

***The market for buying digital advertising verification solutions is relatively new and evolving. If this market and the corresponding markets develop slower or differently than we expect, our business, growth prospects and financial condition would be adversely affected.***

In 2020, we generated over 90% of our revenue from advertiser customers that purchase our services to measure the quality and performance of ads purchased directly from publishers and proprietary platforms, and through programmatic platforms to evaluate the quality of ad inventories before they are purchased. We expect that spending on these solutions will continue to be a substantial source of revenue for the foreseeable future. Our growth will depend on us capitalizing on the market opportunity to provide measurement of ad effectiveness and efficiency to brands and help customers understand marketing performance. If the market for ad measurement and effectiveness solutions deteriorates or develops more slowly than we expect, it could reduce demand for our solutions, and our business, growth prospects, and financial condition would be adversely affected.

In addition, our revenue may not necessarily grow at the same rate as spend on our solutions. Growth in spend may outpace growth in our revenue as the market for digital advertising verification matures due to a number of factors including pricing competition and shifts in product, media, client, and channel mix. A significant change in revenue as a percentage of spend could reflect an adverse change in our business and growth prospects. In addition, any such fluctuations, even if they reflect our strategic decisions, could cause our performance to fall below the expectations of securities analysts and investors, and adversely affect the price of our common stock.

***Our estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate.***

Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. Our estimates and forecasts relating to the size and expected growth of our market may prove to be inaccurate. For example, the global digital advertising ecosystem may not grow at the rate that we currently expect, the migration of advertising from linear television to connected TV may not occur on the scale we currently anticipate, or the growth of subscription media platforms as opposed to platforms supported by advertising may all impact the estimates and growth forecasts we have included in this prospectus. Even if the market in which we compete meets our size estimates and forecasted growth, our business could fail to grow at similar rates, if at all and we may not be able to bring in sufficient amounts of new customers to keep pace with market growth. Other factors, such as social disruptions, social unrest, or social trends, may cause advertisers to pause, reduce, cancel, or otherwise alter their spending or engage with our solutions less and cause publishers to choose not to monetize specific inventory.

***We may experience fluctuations in our results of operations, which could make our future results of operations difficult to predict or cause our results of operations to fall below analysts' and investors' expectations.***

Our quarterly and annual results of operations have fluctuated in the past and we expect our future results of operations to fluctuate due to a variety of factors, many of which are beyond our control. Fluctuations in our results of operations could cause our performance to fall below the expectations of analysts and investors, and adversely affect the price of our common stock. Because our business is changing and evolving rapidly, our historical results of operations may not be necessarily indicative of our future results of operations. Factors that may cause our results of operations to fluctuate include the following:

- maintaining or achieving new industry accreditations, including, but not limited to, accreditations from the MRC;
- changes in demand for digital advertising and for our platform or solutions, including related to the seasonal nature of our customers' spending on digital advertising campaigns;
- changes in the competitive dynamics of our market, including consolidation among competitors or customers and the introduction of new products or product enhancements;
- changes in the economic prospects of marketers, the industries or verticals that we primarily serve, or the economy generally, which could alter marketers' spending priorities or budgets;
- changes to availability of and pricing of competitive products and services, and their effects on our pricing;
- changes in the pricing or availability of digital ad inventory;
- changes in the pricing or availability of data or other third-party services;
- changes in our customer base and platform offerings;
- the addition or loss of customers or the change in customer retention rate and the price paid for our solutions and the rate at which our solutions are used across campaigns;
- the challenges of persuading existing and prospective customers to switch from incumbent service providers;
- the rate at which our solutions are utilized caused by our customers' budgetary constraints, competition, customer dissatisfaction, customer corporate restructuring or change in control, or our customers' actual or perceived lack of need for our products;
- changes in customers' allocations, marketing strategies, targeting strategies, contextual targeting strategies and optimization goals on the use of third-party verification and other measurement services;
- changes to our solutions, products, media, or customer or mix;
- changes and uncertainty in the regulatory environment for us, customers or others in the digital marketing solutions industry, and the effects of our efforts and those of our customers and partners to address changes and uncertainty in the regulatory environment;
- changes in the economic prospects of digital marketers or the economy generally, which could alter customers' spending priorities;
- changes in the pricing and availability of digital ad inventory or in the cost of reaching end consumers through digital advertising;
- disruptions or outages on our platform;
- the introduction of new technologies or offerings by our competitors or others in the digital marketing solutions marketplace;
- changes in our capital expenditures as we acquire the hardware, equipment, and other assets required to support our business;



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- the length and unpredictability of our sales cycle;
- global awareness of our thought leadership and brand;
- costs related to acquisitions of businesses or technologies and development of new products;
- cost of employee recruiting and retention;
- changes to the commission plans, quotas, and other compensation-related metrics for our sales representatives;
- any potential future cost and the availability of and ability to integrate data from proprietary platforms, including, but not limited to, Walled Gardens;
- adverse judgments or settlements, or increased legal fees, in legal disputes or government proceedings;
- adoption of new accounting pronouncements; and
- changes to the cost of infrastructure, including real estate and information technology (“IT”).

Based upon the factors above and others beyond our control, we have a limited ability to forecast our future revenue, costs and expenses. If we fail to meet or exceed operating results expectations of analysts and investors or if analysts and investors have estimates and forecasts of our future performance that are unrealistic or that we do not meet, the market price of our common stock could decline. In addition, if one or more of the analysts who cover us adversely change their recommendation regarding our stock, the market price of our common stock could decline.

***Our corporate culture has contributed to our success and, if we are unable to maintain it as we grow, our business, financial condition and results of operations could be harmed.***

We are undergoing rapid growth and have experienced and may continue to experience rapid expansion of our employee ranks. As of March 31, 2021, we had 651 employees. We believe our corporate culture has been a key element of our success. However, as our organization grows, it may be difficult to maintain our culture, which could reduce our ability to innovate and operate effectively. The failure to maintain the key aspects of our culture as our organization grows could result in decreased employee satisfaction, increased difficulty in attracting top talent, increased turnover and could compromise our ability to maintain our infrastructure and platform, the quality of our customer service, all of which are important to our success and to the effective execution of our business strategy. In the event we are unable to maintain our corporate culture as we grow to scale, our business, financial condition, and results of operations could be harmed.

***Our business is subject to the risks of earthquakes, fires, floods and other natural catastrophic events and to interruption by man-made problems such as terrorism, computer viruses or social disruption impacting advertising spending.***

Our systems and operations are vulnerable to damage or interruption from earthquakes, fires, floods, hurricanes, other acts of nature, power losses, telecommunications failures, terrorist or criminal acts or attacks, social issues, protests, discontent, and disruption that affect advertising spending or the ability for publishers to monetize inventory, vandalism, sabotage, acts of war, human errors, break-ins, cyber-attacks or failures, pandemics or other public health crises, or similar events. For example, a significant natural disaster, such as an earthquake, fire, or flood, could have a material adverse impact on our business, operating results and financial condition, and our insurance coverage may be insufficient to compensate us for losses that may occur. Additionally, our business and revenues could be affected by social issues, protests or disruptions. For example, if there is public disapproval or boycotting of a specific platform, such as Facebook or other proprietary platforms, our ability to measure and optimize ad placements or to forecast usage may be impacted based on unforeseen trends or events. In addition, acts of terrorism could cause disruptions in our business or the economy as a whole. Our principal executive offices, and largest office, is located in Manhattan, a city which has experienced acts of terrorism, protests, and natural disasters in the past. Our cloud partners, including AWS, may

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also be vulnerable to computer viruses, break-ins, cyber-attacks, such as coordinated denial-of-service attacks or ransomware, or other failures, and similar disruptions from unauthorized tampering with our computer systems, which could lead to interruptions, delays, loss of critical data or the unauthorized disclosure of confidential customer data. Although we have implemented security measures and disaster recovery capabilities, there can be no assurance that we will not suffer from business interruption, or unavailability or loss of data, as a result of any such events. As we rely heavily on our servers, computer, and communications systems and the internet to conduct our business and provide high quality service to our customers, such disruptions could negatively impact our ability to run our business, result in loss of existing or potential customers and increased expenses, and/or have an adverse effect on our reputation and the reputation of our products and services, any of which would adversely affect our operating results and financial condition.

### **Risks Related to Intellectual Property and Technology**

***Failures in the systems and infrastructure supporting our solutions and operations could significantly disrupt our operations and cause us to lose customers.***

In addition to the optimal and efficient performance of our platform, our business relies on the continued and uninterrupted performance of our software, hardware, and cloud infrastructures, and our platform and its underlying infrastructure are inherently complex and may contain material defects or error. We currently process on average over 100 billion daily web transactions through our highly scalable, cloud-based technology platform.

Sustained or repeated system failures of our software or hardware infrastructures (such as massive and sustained data center outages) or of the software or hardware infrastructures of our third-party providers, which inhibit our ability to provide our solutions in a timely manner or cause performance issues with our platform, could significantly reduce the attractiveness of our offering to our customers, reduce our revenue or otherwise negatively impact our financial situation, impair our reputation, undermine trust in our brand, and subject us to significant liability. Specifically, there is significant risk that our proprietary platform partners may cause data delays or there may be data missing, which impacts our ability to deliver our products and services.

In addition, while we seek to maintain excess capacity to facilitate the rapid provision of new customer deployments and the expansion of existing customer deployments, we may need to increase data center hosting capacity, bandwidth, storage, power, or other elements of our system architecture and our infrastructure as our customer base and/or our traffic continues to grow.

Our existing systems may not be able to scale up in a manner satisfactory to our existing or prospective customers, and may not be adequately designed with the necessary reliability and redundancy of certain critical portions of our infrastructure to avoid performance delays or outages that could be harmful to our business. We must continue to increase the capacity of our platform to support our high-volume strategy, to cope with increased data volumes and an increasing variety of digital marketing formats and platforms, and to maintain a stable service infrastructure and reliable service delivery. Delivering this increased capacity while concurrently reducing organizational and operational costs or maintaining our current lower cost structure will require us to implement more efficient data processing and to implement more efficient cloud-based services as they become available and drive optimization processes related to the existing environment.

Our failure to continuously upgrade or increase the reliability and redundancy of our infrastructure to meet the demands of a growing base of global customers and partners could adversely affect the functioning and performance of our technology and could in turn affect our results of operations.

Finally, our systems are vulnerable to damage from a variety of sources, some of which are outside of our control, including network and telecommunications failures, natural disasters, terrorism, power outages, a variety of other possible outages affecting data centers, and malicious human acts, including hacking, computer viruses, malware, and other security breaches. Techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until launched against a target. As a result, we may be unable to anticipate some of these techniques or to implement adequate preventive measures.

Any steps we take to increase the security, reliability and redundancy of our systems may be expensive and may not be successful in preventing system failures. We have experienced, and may in the future experience, disruptions, outages, and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints due to an overwhelming number of users simultaneously accessing our solutions, distributed denial of service attacks, or other security related incidents.

If we are unable to prevent system failures, the functioning and performance of our solutions could suffer, which in turn could interrupt our business and harm our results of operations.

***Operational, technical and performance issues with our platform, whether real or perceived may adversely affect our business, reputation, financial condition and operating results.***

We depend upon the sustained and uninterrupted performance of our platform to provide digital marketing solutions for ad viewability, ad fraud prevention and brand safety. If our platform cannot scale to meet demand, if there are errors in our execution of any of these functions on our platform, or if we experience outages, then there may be consumer dissatisfaction, damage claims, damage to reputation, and our business may be harmed. For example, if we fail to measure campaigns that were previously paid for by advertisers or our technology interferes with the delivery of ads on websites or other proprietary platforms, we could be subject to lawsuits or requests by our customers that we make them whole, which could include costs of media (i.e., the amount such advertiser paid to websites) that outweigh the verification fees or revenues originally gathered from the customer and could result in litigation or damage to our reputation. We may also face material delays in introducing new services, products and enhancements.

Our platform is complex and multifaceted, and operational and performance issues could arise both from the platform itself and from outside factors. Errors, failures, vulnerabilities, or bugs have been found in the past, and may in the future, be found. We also rely on third-party integrations with proprietary platforms, DSPs, ad servers, publishers/websites for our products, and services to perform properly. Additionally, our platform is often used in connection with our customers' respective technology platforms utilizing different operating systems, system management software, equipment and networking configurations, which may cause errors in, or failures of, our platform or such other computing environments. Operational and performance issues with our platform could include the failure of our user interface, outages, data delays, errors during upgrades or patches, errors due to manual data entry or processes, discrepancies in costs billed versus costs paid, unanticipated volume overwhelming our databases, server failure, or catastrophic events affecting one or more cloud environments. While we have built redundancies in our systems, full redundancies do not exist. Some failures will shut our platform down completely, others only partially, but a disrupting event could result in prolonged downtime of our operations. Partial failures, which we have experienced in the past, could result in the misapplication of exclusion and inclusion lists to campaigns or a manual error in keyword lists, resulting in misdelivery of ads, which includes ads being viewed in a context the customer did not want them to be displayed or blocking the ads from being placed where the client intends, in each case resulting in unanticipated financial obligations or impact.

Our platform also operates on our data processing equipment that is housed in third-party commercial data centers that we do not control or on servers owned and operated by cloud-based service providers, which may leave us vulnerable to technical issues or outages that we cannot easily control or remedy. Although we generally enter into service level agreements with these parties, we exercise no control over their operations, which makes us vulnerable to any errors, interruptions or delays that they may experience. All of these facilities and systems are vulnerable to interruption and/or damage from a number of sources, many of which are beyond our control, including, without limitation: (i) loss of adequate power or cooling and telecommunications failures; (ii) fire, flood, earthquake, hurricane, and other natural disasters; (iii) software and hardware errors, failures, or crashes; (iv) financial insolvency; and (v) computer viruses, malware, hacking, terrorism, and similar disruptive problems. In particular, intentional cyber-attacks present a serious issue because they are difficult to prevent and remediate

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and can be used to defraud our customers and to steal confidential or proprietary data from us or our customers. These vulnerabilities may increase with the complexity and scope of our systems and their interactions with customers.

Operational and performance issues with our platform could also result in negative publicity, damage to our brand and reputation, loss of or delay in market acceptance of our platform, increased costs or loss of revenue, loss of the ability to access our platform, loss of competitive position, or claims by customers for losses sustained by them. Alleviating problems resulting from such issues could require significant expenditures of capital and other resources and could cause interruptions, delays or the cessation of our business, any of which may adversely affect our financial condition and operating results.

***If unauthorized access is obtained to user, customer or inventory and third-party provider data, or our platform is compromised, our services may be disrupted or perceived as insecure, and as a result, we may lose existing customers or fail to attract new customers, and we may incur significant reputational harm and legal and financial liabilities.***

Our products and services involve the collection, transmission, and storage of significant amounts of data from buy-side and sell-side customers, third-party publishers (e.g., websites and mobile applications), DSP partners, proprietary platforms and third-party data providers, a large volume of which is hosted by third-party service providers. Our services and data could be exposed to unauthorized access due to activities that breach or undermine security measures, including: negligence or malfeasance by internal or external actors; attempts by outside parties to fraudulently induce employees, customers, or vendors to disclose sensitive information in order to gain access to our data; or errors or vulnerabilities in our systems, products or processes or in those of our service providers, customers, and vendors. For example, from time-to-time, we experience cyberattacks of varying degrees and other attempts to obtain unauthorized access to our systems, including to employee mailboxes. We have dedicated and expect to continue to dedicate resources toward security protections that shield data from these activities. However, such measures cannot provide absolute security. Further, we can expect that the deployment of techniques to circumvent our security measures may occur with more frequency and sophistication and may not be recognized until launched against a target. Accordingly, we may be unable to anticipate or detect these techniques or to implement adequate preventative measures and we cannot be certain that we will be able to prevent vulnerabilities in our solutions or address vulnerabilities that we may become aware of in the future.

Finally, while we have developed worldwide incident response teams and dedicated resources to incident response processes, such processes could, among other issues, fail to be adequate or accurately assess the incident severity, not proceed quickly enough, or fail to sufficiently remediate an incident. A breach of our security and/or our failure to respond sufficiently to a security incident could disrupt our services and result in theft, misuse, loss, corruption, or improper use or disclosure of data. This could result in government investigations, enforcement actions, trigger audits by customers and other legal and financial liability, and/or loss of confidence in the availability and security of our products and services, all of which could seriously harm our reputation and brand and impair our ability to attract and retain customers. While our contracts and technical specifications with customers, data providers, vendors, DSPs, and proprietary platforms from importing or otherwise providing IAS with information that would allow us to directly identify individuals, if one or more of these parties provided such information in violation of our policies and our systems are breached, we could be subject to contractual breach and indemnification claims from other parties. In addition, our products and services rely on the collection, transmission, and storage of data that may be considered personal information under certain applicable laws related to data privacy (e.g., IP addresses), which could result in similar breach and indemnity claims, as well as liabilities under such laws, if our systems are breached. There can be no assurance that any limitations of liability provisions in our contracts for a security breach would be enforceable or adequate or would otherwise protect us from any such liabilities or damages with respect to any particular claim. We also cannot be sure that our existing general liability insurance coverage and coverage for errors or omissions will continue to be available on acceptable terms or will be available in sufficient amounts to cover one or more large

claims, or that the insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, financial condition, and operating results.

Cyberattacks could also compromise our own trade secrets and other sensitive information and result in such information being disclosed to others and becoming less valuable, which could negatively affect our business, reputation, and our competitive advantage.

***Our inability to use software licensed from third parties, or our use of open source software under license terms that interfere with our proprietary rights, could disrupt our business.***

Our technology platform and internal systems incorporate software licensed from third parties, including some software, known as open source software, which we use without charge. Although we monitor our use of open source software, the terms of many open source licenses to which we are subject have not been interpreted by U.S. or foreign courts, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide our technology offering to our customers. Moreover, we cannot ensure that we have not incorporated additional open source software in our products in a manner that is inconsistent with the terms of the applicable license or our current policies and procedures. In the future, we could be required to seek licenses from third parties in order to continue offering our solutions, which licenses may not be available on terms that are acceptable to us, or at all. Claims related to our use of open source software could also result in litigation, require us to purchase costly licenses or require us to devote additional research and development resources to change the software underlying our solutions, any of which would have a negative effect on our business, financial condition, and operating results and may not be possible in a timely manner. We and our customers may also be subject to suits by parties claiming infringement due to the reliance by our solutions on certain open source software, and such litigation could be costly for us to defend or subject us to injunctions enjoining us from the sale of our solutions that contain open source software.

Alternatively, we may need to re-engineer our offering or discontinue using portions of the functionality provided by our technology. In addition, the terms of open source software licenses may require us to provide software that we develop using such software to others on unfavorable terms, such as by precluding us from charging license fees, requiring us to disclose our source code, or requiring us to license certain of our own proprietary source code under the terms of the applicable open source license. Any such restriction on the use of our own software, or our inability to use open source or third-party software, could result in disruptions to our business or operations, or delays in our development of future offerings or enhancements of our existing platform, which could impair our business.

***If the non-proprietary technology, software, products and services that we use are unavailable, become subject to future license or other terms we cannot agree to, or do not perform as we expect, our business, financial condition and results of operations could be harmed.***

We depend on various technology, software, products, and services from third parties or available as open source, including cloud partners, including AWS, and integration frameworks (e.g., APIs technology, some of which are critical to the features and functionality of our platform and solutions. For example, in 2019 we licensed a text analysis platform pursuant to a 30-year license agreement under which the licensor must also provide at least 10 years of support services. This text analysis platform is critical to our business operations and the loss or limitation of the license or support services under this license agreement could adversely impact our business operations. In order for customers to effectively leverage the reach and opportunity presented by consumers' shift to digital means in ways they desire and otherwise optimize and verify campaigns, our platform must have access to data to provide us with a comprehensive view of digital ad transactions across numerous types of inventory in order to measure data and allow for the verification of the ads. Identifying, negotiating, complying with, and integrating with third-party terms and technology are complex, costly, and time-consuming matters.

In addition, in the future we may identify additional third-party intellectual property we may need to license in order to engage in our business, including to develop or commercialize new products or services. However, such licenses may not be available on acceptable terms or at all. The licensing or acquisition of third-party intellectual property rights is a competitive area, and other companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. Other companies may have a competitive advantage over us due to their size, capital resources and greater development or commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us on reasonable pricing terms or at all. If we are unable to enter into the necessary licenses on acceptable terms or at all, it could adversely impact our business, financial condition, and results of operations.

Failure by third-party providers to maintain, support, or secure their technology either generally or for our account specifically, or downtime, errors, or defects in their products or services, could adversely impact our platform, our administrative obligations, or other areas of our business. Having to replace any third-party providers or their technology, products or services could result in outages or difficulties in our ability to provide our services and we may not be able to have replacements for the third-party services or products on economically beneficial terms or within a reasonable timeframe. We also may not be able to create replacement features in-house within a timely and cost-efficient manner. If we are unsuccessful in establishing or maintaining our relationships with our third-party providers or otherwise need to replace them, internal resources may need to be diverted and our business, financial condition and results of operations could be harmed. If we fail to integrate our platform with new third-party applications and platforms that our customers use for marketing, campaign management, sales, or services purposes, or fail to renew existing relationships pursuant to which we currently provide such integration, we may not be able to offer the functionality that our customers need, which would negatively impact our ability to generate new revenue or maintain existing revenue and adversely impact our business.

***We may be sued by third parties for alleged infringement, misappropriation or other violation of their proprietary rights, which would result in additional expense and potential damages.***

There is significant patent and other intellectual property development activity in the digital marketing industry. Third-party intellectual property rights may cover significant aspects of our technologies or business methods or block us from expanding our offerings. Our success depends on the continual development of our platform. From time to time, we may receive claims from third parties that our platform and underlying technology infringe, misappropriate, or violate such third parties' intellectual property rights. To the extent we gain greater public recognition, these types of suits may occur more frequently, and we may face a higher risk of being the subject of intellectual property claims. The cost of defending against such claims, whether or not the claims have merit, is significant, regardless of whether we are successful in our defense. Defending against such claims could divert the attention of management, technical personnel and other employees from our business operations. Litigation regarding intellectual property rights is inherently uncertain due to the complex issues involved, and we may not be successful in defending ourselves in such matters. In addition, during the course of litigation there could be public announcements of the results of hearings, motions, or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our products and platform capabilities, impair the functionality of our products and platform capabilities, delay introductions of new solutions, result in our substituting inferior or more costly technologies into our solutions, or injure our reputation. Any of the foregoing could adversely impact our business, financial, condition and results of operations.

If we fail to comply with any of the obligations under our license agreements, we may be required to pay damages and the applicable licensor may have the right to terminate the license. Termination by the licensor would cause us to lose valuable rights, and could prevent us from enabling certain features and functionality into our products and services, selling our products and services, or inhibit our ability to commercialize future

solutions. In addition, our rights to certain technologies, are licensed to us on a non-exclusive basis. The owners of these non-exclusively licensed technologies are therefore free to license them to third parties, including our competitors, on terms that may be superior to those offered to us, which could place us at a competitive disadvantage. In addition, the agreements under which we license intellectual property or technology from third parties are generally complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement. Any of the foregoing could adversely impact our business, financial condition and results of operations.

Additionally, we have obligations to indemnify certain of our customers or inventory and data suppliers in connection with certain intellectual property claims. If we are found to infringe, misappropriate or otherwise violate these rights, we could potentially be required to cease utilizing portions of our platform and we may be prohibited from developing, commercializing, or continuing to provide some or all of our offering unless we obtain licenses from, and pay royalties to, the holders of the intellectual property. We may also be required to develop alternative non-infringing technology, which could require significant time and expense. Additionally, we could be required to pay royalty payments, either as a one-time fee or ongoing, as well as damages for past use that was deemed to be infringing. If we cannot license or develop technology for any allegedly infringing aspect of our business, we would be forced to limit or terminate our service and may be unable to compete effectively. Finally, we may suffer harm to our reputation, and customers, potential customers and others may avoid working with us. Any of these results could harm our business.

***We may be unable to obtain, maintain, protect or enforce intellectual property and proprietary rights that are important to our business, which could enable others to copy or use aspects of our technology without compensating us, thereby eroding our competitive advantages and harming our business.***

We rely upon a combination of trade secrets, confidentiality agreements, non-disclosure agreements, assignment of invention agreements, and additional contractual restrictions on disclosure and use as well as trademark, copyright, patent and other intellectual property laws to establish and protect our proprietary rights. These laws, agreements, procedures, and restrictions provide only limited protection. We currently have Channel Science, IAS, IAS (logo), Integral, Integral Ad Science, Quality Impressions, Total Visibility, and TRAQ, among others, and variants and other marks registered as trademarks or pending registration in the U.S. and certain foreign countries. We also rely on copyright laws to protect computer programs related to our platform and our proprietary technologies, although to date we have not registered our copyrights. We have registered numerous internet domain names in the U.S. and certain foreign countries related to our business.

We endeavor to enter into agreements with our employees and contractors in order to limit access to and disclosure of our proprietary information, as well as to assign all intellectual property rights developed for us. However, we may not execute agreements with every party who has access to our confidential information or contributes to the development of our intellectual property and a counterparty to such agreements may not comply herewith. Accordingly, we may become subject to disputes with such individuals regarding the ownership of intellectual property that we consider to be ours. Protecting our intellectual property is a challenge, especially after our employees or our contractors end their relationships with us, and, in some cases, decide to work for our competitors. Our contracts with our employees and contractors that relate to intellectual property issues generally restrict the use of our confidential information solely in connection with our products and services, and strictly prohibit reverse engineering. However, reverse engineering our software and data or the theft or misuse of our proprietary information could still occur by employees or other third parties who have access to our technology. Enforceability of the non-compete agreements that we have in place is not guaranteed, and contractual restrictions could be breached without our knowledge or adequate remedies.

Historically, we have prioritized keeping our technology architecture, trade secrets, and engineering roadmap private and, have not patented the majority of our proprietary technology. As a result, we cannot look to patent enforcement rights to protect much of our proprietary technology. However, we have obtained over 20



patents on our proprietary technology and also have over 20 pending patent applications, all in the United States. We may not be able to obtain any further patents, and our pending applications may not result in the issuance of patents. Any issued patents may be challenged, invalidated or circumvented, and any rights granted under these patents may not actually provide adequate defensive protection or competitive advantages to us. Additionally, the process of obtaining and maintaining patent protection is expensive and time-consuming, and we may not be able to prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. However, effective protection of our intellectual property rights may require additional filings and applications in the future. Pending and future applications may not be approved, and any of our existing or future patents, trademarks or other intellectual property rights may not provide sufficient protection for our business as currently conducted or may be challenged by others or invalidated through administrative process or litigation. Additionally, patent rights in the U.S. have switched from the former “first-to-invent” system to a “first-to-file” system, which may favor larger competitors that have the resources to file more patent applications. Furthermore, our existing patents and any patents issued in the future may give rise to ownership claims or to claims for the payment of additional remuneration of fair price by persons having participated in the creation of the inventions. If we are unable to obtain, maintain, protect, and enforce our intellectual property and proprietary rights, it could have a material adverse effect on our business, operating results, and financial condition.

***We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time consuming and unsuccessful.***

Third parties, including our competitors, may infringe, misappropriate or otherwise violate our intellectual property rights. Policing unauthorized use of our technology is difficult and we may not detect all such use. In addition, the laws of some foreign countries may not be as protective of intellectual property rights as those of the U.S., and mechanisms for enforcement of our proprietary rights in such countries may be inadequate. If we are unable to protect our proprietary rights (including in particular, the proprietary aspects of our platform) we may find ourselves at a competitive disadvantage to others who have not incurred the same level of expense, time, and effort to create and protect their intellectual property.

In order to protect our intellectual property rights, we may be required to spend significant resources to monitor and protect our intellectual property rights. Litigation may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Litigation we bring to protect and enforce our intellectual property rights could be costly, time-consuming, and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Further, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights, and if such defenses, counterclaims, or countersuits are successful, we could lose valuable intellectual property rights. An adverse determination of any litigation proceedings could put our intellectual property at risk of being invalidated, cancelled, or interpreted narrowly. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential or sensitive information could be compromised by disclosure in the event of litigation.

***We may become subject to claims that our employees, consultants, or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers.***

Many of our employees and consultants are currently or were previously employed at other companies in our field, including our competitors or potential competitors. Although we try to ensure that our employees and consultants do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual’s current or former employer. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.



***If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest and our competitive position may be harmed.***

The registered or unregistered trademarks or trade names that we own may be challenged, infringed, circumvented, declared generic, lapsed, or determined to be infringing on or dilutive of other marks. We may not be able to protect our rights in these trademarks and trade names, which we need in order to build name recognition with potential customers. In addition, third parties may file for registration of trademarks similar or identical to our trademarks, thereby impeding our ability to build brand identity and possibly leading to market confusion. If they succeed in registering or developing common law rights in such trademarks, and if we are not successful in challenging such third-party rights, we may not be able to use these trademarks to develop brand recognition of our solutions. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. If we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively, which could adversely impact our business, financial condition and results of operations.

## **Risks Related to Laws and Regulation**

***Privacy and data protection laws and regulation on digital advertising may cause us to incur additional or unexpected costs, subject us to enforcement actions for compliance failures, or cause us to change our platform or business model, which may have a material adverse effect on our business.***

Information relating to individuals and their devices (sometimes called “personal information” or “personal data”) is regulated under a wide variety of local, state, national, and international laws and regulations that apply to the collection, use, retention, protection, disclosure, transfer (including transfer across national boundaries), and other processing of such data. We typically collect and store IP addresses, but may inadvertently be passed and may in the future start to intentionally collect other device identifiers (such as unique cookie identifiers and mobile application identifiers), which are or may be considered personal data or personal information in some jurisdictions or otherwise may be the subject of regulation.

Recently, the State of California adopted a law broadly regulating businesses’ processing of personal information, the CCPA, which went into effect January 1, 2020. The CCPA’s definition of “personal information” is broad enough to include online identifiers provided by individuals’ devices, applications, and protocols (such as IP addresses, mobile application identifiers, and unique cookie identifiers) and individuals’ location data, if there is potential that individuals can be identified by such data. The CCPA establishes a new privacy framework for covered businesses by, among other requirements, establishing new data privacy rights for consumers in the State of California (including rights to deletion of and access to personal information), imposing special rules on the collection of consumer data from minors, creating new notice obligations and new limits on the “sale” of personal information (interpreted by some to include common advertising practices), and creating a new and potentially severe statutory damages framework for violations of the CCPA and for businesses that fail to implement reasonable security procedures and practices to prevent data breaches. The CCPA also offers the possibility to a consumer to recover statutory damages for certain violations and could open the door more broadly to additional risks of individual and class-action lawsuits even though the statute’s private right of action is limited in scope.

The California Attorney General has proposed regulations implementing the CCPA that could impose further limitations. Although we have attempted to mitigate certain risks posed by the CCPA through contractual and platform changes, we cannot predict the timing or outcome of the California Attorney General’s rulemaking or the effect of the CCPA and its implementing regulations on our business. Responding to requirements under the CCPA and the proposed regulations will continue to affect our operations (and those of our industry partners). Moreover, the California Privacy Rights Act (“CPRA”), was approved by California voters in the election on November 3, 2020. The CPRA, which becomes effective on January 1, 2023, will significantly modify and expand the CCPA, potentially resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply.

Laws governing the processing of personal data in Europe (including the E.U. and European Economic Area (“EEA”), and the countries of Iceland, Liechtenstein, and Norway) also continue to impact us. The GDPR, which applies to us, came into effect on May 25, 2018. Like the CCPA, the GDPR defines “personal data” broadly, and it enhances data protection obligations for controllers of such data and for service providers processing the data. It also provides certain rights, such as access and deletion, to the individuals about whom the personal data relates. The digital advertising industry has collaborated to create a user-facing framework for establishing and managing legal bases under the GDPR and other E.U. privacy laws including ePrivacy (discussed below). Although the framework is actively in use, we cannot predict its effectiveness over the long term. European regulators have questioned its viability and activists have filed complaints with regulators of alleged non-compliance by specific companies that employ the framework. Non-compliance with the GDPR can trigger steep fines of up to the greater of €20 million or 4% of total worldwide annual revenue. Continuing to maintain compliance with the GDPR’s requirements requires significant time, resources, and expense, as will the effort to monitor whether additional changes to our business practices and our backend configuration are needed, all of which may increase operating costs, or limit our ability to operate or expand our business. These existing and proposed laws, regulations, and industry standards can be costly to comply with and can delay or impede the development of new solutions, result in negative publicity and reputational harm, increase our operating costs, require significant management time and attention, increase our risk of non-compliance, and subject us to claims or other remedies, including fines or demands that we modify or cease existing business practices.

Regulatory investigations and enforcement actions could also impact us. In the U.S., the Federal Trade Commission (the “FTC”), uses its enforcement powers under Section 5 of the Federal Trade Commission Act (which prohibits “unfair” and “deceptive” trade practices) to investigate companies engaging in online tracking. Advocacy organizations have also filed complaints with data protection authorities against advertising technology companies, arguing that certain of these companies’ practices do not comply with the GDPR. We cannot avoid the possibility that one of these investigations or enforcement actions will involve our practices. Further, our legal risk depends in part on our customers’ or other third parties’ adherence to privacy laws and regulations and their use of our services in ways consistent with end consumer expectations. We rely on representations made to us by customers that they will comply with all applicable laws, including all relevant privacy and data protection regulations. Although we make reasonable efforts to enforce such representations and contractual requirements, we do not fully audit our customers’ compliance with our recommended disclosures or their adherence to privacy laws and regulations. If our customers fail to adhere to our expectations or contracts in this regard, we and our customers could be subject to adverse publicity, damages, and related possible investigation or other regulatory activity.

Adapting our business to the CCPA, the CPRA, their corresponding implementing regulations and to the enhanced privacy obligations in the E.U. and elsewhere could continue to involve substantial expense and may cause us to divert resources from other aspects of our operations, all of which may adversely affect our business. Further, adaptation of the digital advertising marketplace requires increasingly significant collaboration between participants in the market, such as publishers and advertisers. Failure of the industry to adapt to changes required for operating under laws including the CCPA, CPRA and the GDPR and user response to such changes could negatively impact inventory, data, and demand. We cannot control or predict the pace or effectiveness of such adaptation, and we cannot currently predict the impact such changes may have on our business.

Finally, because the interpretation and application of many privacy and data protection laws (including the GDPR), commercial frameworks, and standards are uncertain, it is possible that these laws, frameworks, and standards may be interpreted and applied in a manner that is inconsistent with our existing data management practices or the features of our solutions. If so, in addition to the possibility of fines, lawsuits, breach of contract claims, and other claims and penalties, we could be required to fundamentally change our business activities and practices or modify our solutions, which could have an adverse effect on our business. Any inability to adequately address privacy and security concerns, even if unfounded, or comply with applicable privacy and security or data security laws, regulations, and policies, could result in additional cost and liability to us, damage our reputation, inhibit sales, and adversely affect our business.

***Concerns regarding data privacy and security relating to our industry's technology and practices, and perceived failure to comply with laws and industry self-regulation, could damage our reputation and deter current and potential customers from using our products and services.***

Public perception regarding data protection and privacy are significant in the digital advertising ecosystem. Any perception of our practices, products, or services as a violation of individual privacy rights may subject us to public criticism, loss of customers, partners, or vendors, class action lawsuits, reputational harm, or investigations or claims by regulators, industry groups or other third parties, all of which could significantly disrupt our business and expose us to increased liability. Concerns about industry practices with regard to the collection, use, and disclosure of personal information, whether or not valid and whether driven by applicable laws and regulations, industry standards, customer or inventory provider expectations, or the broader public, may harm our reputation, result in loss of goodwill, and inhibit use of our platform by current and future customers. For example, perception that our practices involve an invasion of privacy, whether or not such practices are consistent with current or future laws, regulations, or industry practices, may subject us to public criticism, private class actions, reputational harm, or claims by regulators, which could disrupt our business and expose us to increased liability. Data protection laws around the world often take a principled, risk-based approach to information security and require "reasonable", "appropriate" or "adequate" technical and organizational security measures, meaning that the interpretation and application of those laws are often uncertain and evolving, and there can be no assurance that our security measures will be deemed adequate or reasonable in all instances. Moreover, even security measures that are deemed appropriate, reasonable, and/or in accordance with applicable legal requirements may not be able to protect the information we maintain and may still be viewed negatively by current and potential customers.

Separately, we cannot anticipate unique client certifications or contractual requirements related to security practices, the processing of personal information or of customer confidential information, which could cause us to lose or not obtain new business if we do not have such certifications or meet contractual requirements.

***Operating in multiple countries requires us to comply with different legal and regulatory requirements.***

Our international operations subject us to laws and regulations of multiple jurisdictions, as well as U.S. laws governing international operations, which are often evolving and sometimes conflict. For example, the Foreign Corrupt Practices Act ("FCPA"), and comparable foreign laws and regulations (including the U.K. Bribery Act) prohibit improper payments or offers of payments to foreign governments and their officials and political parties by U.S. and other business entities for the purpose of obtaining or retaining business. Some of the countries into which we are, or potentially may, expand score unfavorably on the Corruption Perceptions Index (the "CPI"), of the Transparency International. Other laws and regulations prohibit bribery of private parties and other forms of corruption. Furthermore, we are subject to various U.S. export control and trade and economic sanctions laws and regulations, including the U.S. Export Administration Regulations and the various sanctions programs administered by the U.S. Department of the Treasury's Office of Foreign Assets Control (collectively, "Trade Controls"). Trade Controls may prohibit the shipment of specified products and services to certain countries, governments, and persons. Complying with Trade Controls may also be time-consuming and may result in the delay or loss of opportunities. Some regulations also prevent us from engaging with certain individuals or any companies affiliated with these individuals. As we expand our international operations, we will be subject to increased risk of unauthorized payment or offers of payment or other inappropriate conduct by one of our employees, consultants, agents, or other contractors, including by persons engaged or employed by a business we acquire, as well as increased risk of prohibited dealings with certain countries, governments and persons. Any of these could result in violation by us of various laws, including the FCPA and Trade Controls. While we anticipate implementing safeguards to discourage these practices prior to this offering, such safeguards may prove to be ineffective. Any violations of the FCPA, Trade Controls and other similar laws may result in severe criminal or civil sanctions, or other liabilities or proceedings against us, including class action lawsuits and enforcement actions from the SEC, Department of Justice, and foreign regulators and could also harm our reputation. Other laws applicable to our international business include local employment, tax, privacy, data security, and intellectual property protection laws and regulations, including restrictions on movement of

information about individuals beyond national borders. In particular, as explained in more detail elsewhere in this prospectus, the GDPR imposes substantial compliance obligations and increases the risks associated with collection and processing of personal data. In some cases, our customers and partners operating in non-U.S. markets may impose additional requirements on our non-U.S. business in efforts to comply with their interpretation of their own or our legal obligations. These requirements may differ significantly from the requirements applicable to our business in the U.S. and may require engineering, infrastructure and other costly resources to accommodate, and may result in decreased operational efficiencies and performance. As these laws continue to evolve and we expand to more jurisdictions or acquire new businesses, compliance will become more complex and expensive, and the risk of non-compliance will increase. Compliance with complex foreign and U.S. laws and regulations that apply to our international operations increases our cost of doing business abroad, and violation of these laws or regulations may interfere with our ability to offer our solution competitively in one or more countries, expose us or our employees to fines and penalties, and result in the limitation or prohibition of our conduct of business. In addition, we have recently received numerous inquiries from foreign regulators, including in Australia and the U.K., asking for information about digital advertising generally, programmatic advertising, and the influence of dominant corporations in the digital advertising ecosystem, such as Google and Facebook. These investigations are costly and time consuming to respond to and divert management attention.

***Uncertainty caused by lack of uniformity among laws to which we are or may become subject and instability in the global legal landscape may cause us to incur additional or unexpected costs and legal risk, increase our risk of reputational harm, or cause us to change our platform or business model.***

We cannot predict the future of the regulatory landscape regarding the protection of personal information. U.S. (state, federal and local) and foreign governments are considering enacting additional legislation related to privacy and data protection and we expect to see an increase in, or changes to, legislation and regulation in this area. There are numerous federal, state, local and international laws and regulations regarding privacy, data protection, information security and the storing, sharing, use, processing, transfer, disclosure, retention, and protection of personal information and other content, the scope of which is rapidly changing, subject to differing interpretations and may be inconsistent among countries and states, or conflict with other rules. For example, in the U.S., a federal privacy law is the subject of active discussion and several bills have been introduced. Additionally, industry groups in the U.S. and their international counterparts have self-regulatory guidelines that are subject to periodic updates to which we have agreed to adhere. High profile incidents involving breaches of personal information or misuse of consumer information may increase the likelihood of new U.S. federal, state, or international laws or regulations in addition to those set out above, and such laws and regulations may be inconsistent across jurisdictions. While we have adopted a risk-based approach to minimize our impact from noncompliance, with the proliferation of these regulations, both here in the U.S. and international, there can be no assurances that we will maintain full compliance. We have implemented various features intended to enable our customers to better protect end consumer privacy, but these measures may not alleviate all potential privacy concerns and threats. Even the perception of privacy concerns, whether or not valid, may inhibit use of our platform. Privacy advocacy groups and the technology and other industries are considering various new, additional or different self-regulatory standards that may place additional burdens on us. The costs of compliance with, and other burdens imposed by these groups' policies and actions may limit the use and adoption of our platform and reduce overall demand for it, or lead to significant fines, penalties, or liabilities for any noncompliance or loss of any such action. We are also subject to the terms of our privacy policies and contractual obligations to third parties related to privacy, data protection, and information security.

Changes in data residency and cross-border transfer restrictions also impact our operations. For the transfer of personal data from the E.U. to the U.S., we rely upon standard contractual clauses ("SCCs"). SCCs and other mechanisms available to us to validate the transfer of data from the E.U. to the U.S. continue to face criticism from privacy advocates and legal challenges in E.U. courts and may need to be updated or replaced as amended to legitimize the transfer of personal information from the E.U. to the U.S. If successful challenges leave us with no reasonable option for the lawful cross-border transfer of personal data, and if we nonetheless continue to transfer personal data from the E.U. to the U.S., that could lead to governmental enforcement actions, litigation,

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finances, and penalties or adverse publicity, which could have an adverse effect on our reputation and business or cause us to need to establish systems to maintain certain data in the E.U., which may involve substantial expense and cause us to divert resources from other aspects of our operations, all of which may adversely affect our business. Other jurisdictions have adopted or are considering cross-border or data residency restrictions, which could reduce the amount of data we can collect or process and, as a result, significantly impact our business. It remains unclear how the recent withdrawal of the U.K. from the E.U., referred to as Brexit, will affect cross-border data flows, regulators' jurisdiction over our business, and other matters related to how we do business and how we comply with applicable data protection laws. Although we will apply the guidance from the Department of Commerce regarding post-Brexit data transfers from the U.K. through Privacy Shield, it remains uncertain whether other methods of transfer will have to be implemented. Accordingly, we cannot predict the additional expense, impact on revenue, or other business impact that may stem from Brexit.

Additionally, as the digital marketing industry evolves and new ways of collecting, combining and using data are created, governments may enact legislation in response to technological advancements and changes that could result in our having to re-design features or functions of our platform, therefore incurring unexpected compliance costs.

These laws and other obligations may be interpreted and applied in a manner that is inconsistent with our existing data management practices or the features of our platform. If so, in addition to the possibility of fines, lawsuits, and other claims, we could be required to fundamentally change our business activities and practices or modify our products, which could have an adverse effect on our business. For example, jurisdictions may require data localization and reconfiguring of our infrastructure, which would create costs and create inefficiencies. If we are required to silo data (and are limited in leveraging all the data collected across all customers in all locations), our solutions may be not as effective or accurate. Additionally, we may be unable to make such changes and modifications in a commercially reasonable manner or at all, and our ability to develop new products and features could be limited. All of this could impair our or our customers' ability to collect, use, or disclose information relating to consumers, which could decrease demand for our platform, increase our costs, and impair our ability to maintain and grow our customer base and increase our revenue.

***We are subject to taxation in multiple jurisdictions. Any adverse development in the tax laws of any of these jurisdictions or any disagreement with our tax positions could have a material and adverse effect on our business, financial condition or results of operations.***

We are subject to taxation in, and to the tax laws and regulations of, multiple jurisdictions as a result of the international scope of our operations and our corporate entity structure. We are also subject to transfer pricing laws with respect to our intercompany transactions, including those relating to the flow of funds among our companies. For example, many of the jurisdictions in which we conduct business have detailed transfer pricing rules which require that all transactions with non-resident related parties be priced using arm's length pricing principles. Contemporaneous documentation must exist to support this pricing. The tax authorities in these jurisdictions could challenge whether our related party transfer pricing policies are at arm's length and, as a consequence, challenge our tax treatment of corresponding expenses and income. International transfer pricing is an area of taxation that depends heavily on the underlying facts and circumstances and generally involves a significant degree of judgment. If any of these tax authorities were successful in challenging our transfer pricing policies, we may be liable for additional corporate income tax, and penalties, fines, and interest related thereto, which may have a significant impact on our effective tax rate, results of operations, and future cash flows.

Adverse developments in these laws or regulations, or any change in position regarding the application, administration or interpretation thereof, in any applicable jurisdiction, could have a material and adverse effect on our business, financial condition or results of operations. Changes in tax laws, such as tax reform in the U.S. or changes in tax laws resulting from the Organization for Economic Co-operation and Development's multi-jurisdictional plan of action to address "base erosion and profit shifting," could impact our effective tax rate. In addition, the tax authorities in any applicable jurisdiction, including the U.S., may disagree with the positions we

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have taken or intend to take regarding the tax treatment or characterization of any of our transactions. If any applicable tax authorities, including U.S. tax authorities, were to successfully challenge the tax treatment or characterization of any of our transactions, it could have a material and adverse effect on our business, financial condition, or results of operations.

***Taxing authorities may successfully assert that we should have collected or in the future should collect sales and use, value added or similar taxes, and we could be subject to liability with respect to past or future sales, which could adversely affect our results of operations.***

In certain cases, we have concluded that we do not need to collect sales and use, value added and similar taxes in jurisdictions in which we have sales. Sales and use, value added and similar tax laws and rates vary greatly by jurisdiction. Certain jurisdictions in which we do not collect such taxes may assert that such taxes are applicable, which could result in tax assessments, penalties, and interest, and we may be required to collect such taxes in the future. Such tax assessments, penalties and interest or future requirements may adversely affect our financial condition and results of operations.

***Our annual effective income tax rate can change materially as a result of changes in our mix of U.S. and foreign earnings and other factors, including changes in tax laws and changes made by regulatory authorities.***

Our overall effective rate is equal to our total tax expense as a percentage of total earnings before tax. However, income tax expense and benefits are not recognized on a global basis but rather on a jurisdictional or legal entity basis. Losses in one jurisdiction might not be useable to offset profits in other jurisdictions, which may cause an increase in our effective tax rate. Changes in statutory tax rates and laws, as well as audits by domestic and international authorities, could affect the amount of income taxes and other taxes paid by us. Changes in the mix of earnings (or losses) between jurisdictions and assumptions used in the calculation of income taxes, among other factors, could have a significant effect on our overall effective income tax rate.

### **Risks Related to Being a Public Company**

***We have identified material weaknesses in our internal control over financial reporting. If we are unable to remediate the material weaknesses in a timely manner, if we identify additional material weaknesses or fail to design and maintain effective internal control over financial reporting, our ability to accurately report our financial condition and results of operations on a timely basis or comply with applicable laws and regulations could be impaired, which may adversely affect investor confidence and, as a result, the value of our common stock.***

In connection with the preparation of our consolidated financial statements for the year ended December 31, 2019, we identified material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Management identified the following material weaknesses:

- a. The Company did not design policies to maintain evidence of the operation of key control procedures, nor were monitoring controls evidenced at a sufficient level to provide the appropriate oversight of activities related to our internal control over financial reporting. Additionally, we did not design and maintain controls to ensure (i) the appropriate segregation of duties in the operation of manual controls and (ii) account reconciliations, journal entries, and balance sheet and income statement fluctuation analyses were reviewed at the appropriate level of precision.

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- b. The Company did not design and maintain effective controls over information technology, or IT, general controls for information systems that are relevant to the preparation of the consolidated financial statements. Specifically, we did not design and maintain:
- (i) program change management controls for financial systems to ensure that IT program and data changes affecting financial IT applications and underlying accounting records are identified, tested, authorized and implemented appropriately,
  - (ii) user access controls to ensure appropriate segregation of duties and that adequately restrict user and privileged access to financial applications, programs, and data to appropriate personnel,
  - (iii) computer operations to ensure that critical batch jobs are monitored, privileges are appropriately granted, and data backups are authorized and monitored, and
  - (iv) testing and approval controls for program development to ensure that new software development is aligned with business and IT requirements for financially relevant IT systems.

These deficiencies described above did not result in a misstatement to our annual consolidated financial statements. However, each of the material weaknesses described above, if not remediated, could impact maintaining effective segregation of duties, as well as the effectiveness of IT-dependent controls (such as automated controls that address the risk of material misstatement to one or more assertions, along with the IT controls and underlying data that support the effectiveness of system-generated data and reports) and result in a misstatement of one or more account balances or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected, and, accordingly, we determined that these control deficiencies constitute material weaknesses.

We will take certain measures to remediate these material weaknesses, including:

- Formalizing the company's accounting policies with respect to maintaining evidence in the operation of control procedures
- Improving our control framework to include both the appropriate segregation of duties and definition around the appropriate levels of precision for controls, including account reconciliations, journal entries, and balance sheet and income statement fluctuation analyses
- Designing and documenting the execution of IT general controls for systems and applications impacting internal control over financial reporting, specifically related to user access, change management, computer operations, and program development controls.

We have begun to implement accounting policies with respect to maintaining evidence in the operation of control procedures and also begun to implement appropriate segregation of duties in the operation of manual controls. The material weaknesses will not be considered remediated until management completes the design and implementation of the measures described in the bullet points above and the controls operate for a sufficient period of time and management has concluded, through testing, that these controls are effective.

We are working to remediate the material weaknesses as efficiently and effectively as possible and expect full remediation could potentially go beyond December 31, 2022. At this time, we cannot provide an estimate of costs expected to be incurred in connection with implementing this remediation plan; however, these remediation measures will be time consuming, incur significant costs, and place significant demands on our financial and operational resources.

We cannot assure that the measures we have taken to date, and that we plan to take, will be sufficient to remediate the material weaknesses we have identified or to avoid additional material weaknesses in future periods. If the measures taken do not remediate the material weaknesses in a timely manner, a reasonable possibility will remain that these or other control deficiencies could result in a material misstatement of our annual or interim consolidated financial statements that would not be prevented or detected on a timely basis.



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Starting with our second Form 10-K, and subject to our status as an emerging growth company, management may be required to issue a report on our internal control over financial reporting. If we are unable to assert that our internal control over financial reporting is effective investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could be adversely affected and we could become subject to litigation or investigations by the stock exchange on which our securities are listed, the SEC, or other regulatory authorities, which could require additional financial and management resources.

***We are an “emerging growth company” and we expect to elect to comply with reduced public company reporting requirements, which could make our common stock less attractive to investors.***

We are an “emerging growth company,” as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we are eligible for certain exemptions from various public company reporting requirements. These exemptions include, but are not limited to, (i) not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, (ii) reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements, (iii) exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved and (iv) not being required to provide audited financial statements for the year ended December 31, 2018, or five years of Selected Consolidated Financial Data, in this prospectus. We could be an emerging growth company for up to five years after the first sale of our common stock pursuant to an effective registration statement under the Securities Act, which fifth anniversary will occur in 2026. However, if certain events occur prior to the end of such five-year period, including if we become a “large accelerated filer,” our annual gross revenue exceeds \$1.07 billion or we issue more than \$1.0 billion of non-convertible debt in any three-year period, we would cease to be an emerging growth company prior to the end of such five-year period. We have made certain elections with regard to the reduced disclosure obligations regarding executive compensation in this prospectus and may elect to take advantage of other reduced disclosure obligations in future filings. As a result, the information that we provide to holders of our common stock may be different than you might receive from other public reporting companies in which you hold equity interests. We cannot predict if investors will find our common stock less attractive as a result of our reliance on these exemptions. If some investors find our common stock less attractive as a result of any choice we make to reduce disclosure, there may be a less active trading market for our common stock and the market price for our common stock may be more volatile.

Under the JOBS Act, emerging growth companies may also elect to delay adoption of new or revised accounting standards until such time as those standards apply to private companies. We have elected to “opt-in” to this extended transition period for complying with new or revised accounting standards and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that comply with such new or revised accounting standards on a non-delayed basis. Our financial statements may not be comparable to companies that comply with public company effective dates because of this election.

***The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an “emerging growth company.”***

As a public company, we will incur incremental legal, governance, accounting, and other expenses. We will become subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Sarbanes-Oxley Act, the listing requirements of the NASDAQ and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources, particularly after we are no longer an “emerging growth company.” The Exchange Act requires that we file annual, quarterly, and current reports with respect to our business, financial condition and results of operations. The Sarbanes-Oxley Act requires, among other things, that we establish and maintain effective internal controls and procedures for financial reporting. Furthermore, the need to establish the corporate infrastructure demanded of a public company may divert our management’s attention from implementing our



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growth strategy, which could prevent us from improving our business, financial condition, and results of operations. We have made, and will continue to make, changes to our internal controls and procedures for financial reporting and accounting systems to meet our reporting obligations as a public company. However, the measures we take may not be sufficient to satisfy our obligations as a public company. In addition, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage. These additional obligations could have a material adverse effect on our business, financial condition and results of operations.

In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs, and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of our management's time and attention from sales-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and could have a material adverse effect on our business, financial condition, and results of operations.

***If we fail to maintain an effective system of internal control over financial reporting in the future, we may not be able to accurately or timely report our financial condition or results of operations. If our internal control over financial reporting is not effective, it may adversely affect investor confidence in us and the price of our common stock.***

As a public company, we are required to maintain internal control over financial reporting and to report any material weaknesses in such internal control. Section 404 of the Sarbanes-Oxley Act requires that we evaluate and determine the effectiveness of our internal control over financial reporting and provide a management report on our internal control over financial reporting.

Our platform system applications are complex, multi-faceted and include applications that are highly customized in order to serve and support our customers, advertising inventory and data suppliers, as well as support our financial reporting obligations. We regularly make improvements to our platform to maintain and enhance our competitive position. In the future, we may implement new offerings and engage in business transactions, such as acquisitions, reorganizations or implementation of new information systems. These factors require us to develop and maintain our internal controls, processes, and reporting systems, and we expect to incur ongoing costs in this effort. We may not be successful in developing and maintaining effective internal controls, and any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods.

***Our management team has limited experience managing a public company.***

Most members of our management team have limited experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws, rules, and regulations that govern public companies. As a public company, we are subject to significant obligations relating to reporting, procedures and internal controls, and our management team may not successfully or efficiently manage such obligations. These obligations and scrutiny will require significant attention from our management and could divert their attention away from the day-to-day management of our business, which could adversely affect our business, financial condition, and results of operations.

***If we are unable to attract, integrate and retain additional qualified personnel, including top technical talent, our business could be adversely affected.***

Our future success and our ability to maintain and grow the IAS product portfolio depends in part on our ability to identify, attract, integrate, and retain highly skilled technical, managerial, sales, and other personnel, including top technical talent from the industry. We face intense competition for qualified individuals from numerous other companies, including other companies in the digital ad ecosystem, many of whom have greater financial and other resources than we do. These companies also may provide more diverse opportunities and better chances for career advancement. Some of these characteristics may be more appealing to high-quality candidates than those we have to offer. In addition, new hires often require significant training and, in many cases, take significant time before they achieve full productivity. We may incur significant costs to attract and retain qualified personnel, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards and we may lose new employees to our competitors or other companies before we realize the benefit of our investment in recruiting and training them. Moreover, new employees may not be or become as productive as we expect, as we may face challenges in adequately or appropriately integrating them into our workforce and culture.

In addition, as we move into new geographies, we will need to attract and recruit skilled personnel in those areas. Specifically, as our operations in India grow substantially, we may have difficulty finding and retaining software engineers in India. There is intense competition in India for skilled technical professionals, and we expect such competition to increase. As a result, we may be unable to cost-effectively retain our current employee base in India or hire additional new talent.

Failure to attract sufficiently skilled engineers in India will have a materially adverse effect on our growth plans. We generally may face challenges in attracting, integrating, and retaining international employees. If we are unable to attract, integrate, and retain suitably qualified individuals who are capable of meeting our growing technical, operational and managerial requirements, on a timely basis or at all, our business will be adversely affected.

### **Risks Relating to Our Indebtedness**

***Our existing indebtedness could adversely affect our business and growth prospects.***

As of March 31, 2021, we had total current and long-term indebtedness of \$355.9 million under our Term Loan Facility, pursuant to the Credit Agreement, no amounts outstanding under our Revolving Credit Facility, and no outstanding letters of credit. In addition, as of March 31, 2021, we had \$25 million of additional borrowing capacity under our Revolving Credit Facility. All obligations under the Credit Agreement are secured by first-priority perfected security interests in substantially all of our assets and the assets of our domestic subsidiaries, subject to permitted liens and other exceptions. Our indebtedness, or any additional indebtedness we may incur, could require us to divert funds identified for other purposes for debt service and impair our liquidity position. If we cannot generate sufficient cash flow from operations to service our debt, we may need to refinance our debt, dispose of assets, or issue equity to obtain necessary funds. We do not know whether we will be able to take any of these actions on a timely basis, on terms satisfactory to us or at all.

Our indebtedness, the cash flow needed to satisfy our debt and the covenants contained in our Credit Agreement have important consequences, including:

- limiting funds otherwise available for financing our capital expenditures by requiring us to dedicate a portion of our cash flows from operations to the repayment of debt and the interest on this debt;
- limiting our ability to incur additional indebtedness;
- limiting our ability to capitalize on significant business opportunities;
- making us more vulnerable to rising interest rates; and
- making us more vulnerable in the event of a downturn in our business.

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Our level of indebtedness may place us at a competitive disadvantage to our competitors that are not as highly leveraged. Fluctuations in interest rates can increase borrowing costs. Increases in interest rates may directly impact the amount of interest we are required to pay and reduce earnings accordingly. In addition, developments in tax policy, such as the disallowance of tax deductions for interest paid on outstanding indebtedness, could have an adverse effect on our liquidity and our business, financial conditions, and results of operations. Further, our Credit Agreement contain customary affirmative and negative covenants and certain restrictions on operations that could impose operating and financial limitations and restrictions on us, including restrictions on our ability to enter into particular transactions and to engage in other actions that we may believe are advisable or necessary for our business. Our Term Loan Facility is also subject to mandatory prepayments in certain circumstances, including a requirement to make a prepayment with a certain percentage of our excess cash flow. This excess cash flow payment, and other future required prepayments, will reduce our cash available for investment in our business.

Interest rates under the Credit Agreement are based partly on the London interbank offered rate (“LIBOR”) the basic rate of interest used in lending between banks on the London interbank market and is widely used as a reference for setting the interest rate on loans globally. LIBOR is currently expected to be phased out by the middle of 2023. The U.S. Federal Reserve has begun publishing a Secured Overnight Funding Rate which is currently intended to serve as an alternative reference rate to LIBOR. If the method for calculation of LIBOR changes, if LIBOR is no longer available, or if lenders have increased costs due to changes in LIBOR, we may suffer from potential increases in interest rates on our borrowings. Further, we may need to renegotiate our agreements or any other borrowings that utilize LIBOR as a factor in determining the interest rate to replace LIBOR with the new standard that is established.

We expect to use cash flow from operations to meet current and future financial obligations, including funding our operations, debt service requirements, and capital expenditures. The ability to make these payments depends on our financial and operating performance, which is subject to prevailing economic, industry, and competitive conditions and to certain financial, business, economic, and other factors beyond our control.

***Despite current indebtedness levels and restrictive covenants, we may still be able to incur substantially more indebtedness or make certain restricted payments, which could further exacerbate the risks associated with our substantial indebtedness.***

We may be able to incur significant additional indebtedness in the future. Although the financing documents governing our Credit Agreement contain restrictions on the incurrence of additional indebtedness and liens, these restrictions are subject to a number of important qualifications and exceptions, and the additional indebtedness and liens incurred in compliance with these restrictions could be substantial.

The financing documents governing our Credit Agreement permits us to incur certain additional indebtedness, including liabilities that do not constitute indebtedness as defined in the financing documents. We may also consider investments in joint ventures or acquisitions, which may increase our indebtedness. In addition, financing documents governing our Credit Agreement does not restrict our Sponsor from creating new holding companies that may be able to incur indebtedness without regard to the restrictions set forth in the financing documents governing our Credit Agreement. If new debt is added to our currently anticipated indebtedness levels, the related risks that we face could intensify.

***We may not be able to generate sufficient cash flow to service all of our indebtedness, and may be forced to take other actions to satisfy our obligations under such indebtedness, which may not be successful.***

Our ability to make scheduled payments or to refinance outstanding debt obligations depends on our financial and operating performance, which will be affected by prevailing economic, industry, and competitive conditions and by financial, business, and other factors beyond our control. We may not be able to maintain a sufficient level of cash flow from operating activities to permit us to pay the principal, premium, if any, and

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interest on our indebtedness. Any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which would also harm our ability to incur additional indebtedness.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital, or seek to restructure or refinance our indebtedness. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In the absence of such cash flows and resources, we could face substantial liquidity problems and might be required to sell material assets or operations to attempt to meet our debt service obligations. The financing documents governing our Credit Agreement includes certain restrictions on our ability to conduct asset sales and/or use the proceeds from asset sales for general corporate purposes. We may not be able to consummate these asset sales to raise capital or sell assets at prices and on terms that we believe are fair and any proceeds that we do receive may not be adequate to meet any debt service obligations then due. If we cannot meet our debt service obligations, the holders of our indebtedness may accelerate such indebtedness and, to the extent such indebtedness is secured, foreclose on our assets. In such an event, we may not have sufficient assets to repay all of our indebtedness.

***The terms of the financing documents governing our Term Loan Facility restrict our current and future operations, particularly our ability to respond to changes or to take certain actions.***

The financing documents governing our Term Loan Facility contain a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to engage in acts that may be in our long-term best interests, including restrictions on our ability to:

- incur additional indebtedness;
- pay dividends on or make distributions in respect of capital stock or repurchase or redeem capital stock;
- prepay, redeem, or repurchase certain indebtedness;
- make loans and investments;
- sell or otherwise dispose of assets, including capital stock of restricted subsidiaries;
- incur liens;
- enter into transactions with affiliates;
- enter into agreements restricting the ability of our subsidiaries to pay dividends; and
- consolidate, merge, or sell all or substantially all of our assets.

You should read the discussion under the heading “Description of Certain Indebtedness” for further information about these covenants.

The restrictive covenants in the financing documents governing our Credit Agreement require us to maintain specified financial ratios and satisfy other financial condition tests to the extent applicable. Our ability to meet those financial ratios and tests can be affected by events beyond our control.

A breach of the covenants or restrictions under the financing documents governing our Credit Agreement could result in an event of default under such documents. Such a default may allow the creditors to accelerate the related debt, which may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In the event the holders of our indebtedness accelerate the repayment, we may not have sufficient assets to repay that indebtedness or be able to borrow sufficient funds to refinance it. Even if we are able to obtain new financing, it may not be on commercially reasonable terms or on terms acceptable to us. As a result of these restrictions, we may be:

- limited in how we conduct our business;

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- unable to raise additional debt or equity financing to operate during general economic;
- business downturns; or
- unable to compete effectively or to take advantage of new business opportunities.

These restrictions, along with restrictions that may be contained in agreements evidencing or governing other future indebtedness, may affect our ability to grow in accordance with our growth strategy.

### ***The phase-out of the LIBOR, or the replacement of LIBOR with a different reference rate, may adversely affect interest rates.***

Borrowings under our Credit Agreement bear interest at rates determined using LIBOR, the basic rate of interest used in lending between banks on the London interbank market and is widely used as a reference for setting the interest rate on loans globally. LIBOR is currently expected to be phased out by the middle of 2023. The U.S. Federal Reserve has begun publishing a Secured Overnight Funding Rate which is currently intended to serve as an alternative reference rate to LIBOR. If the method for calculation of LIBOR changes, if LIBOR is no longer available, or if lenders have increased costs due to changes in LIBOR, we may suffer from potential increases in interest rates on our borrowings. Further, we may need to renegotiate our Credit Agreement to replace LIBOR with the new standard that is established.

### ***We may be unable to refinance our indebtedness.***

We may need to refinance all or a portion of our indebtedness before maturity. We cannot assure you that we will be able to refinance any of our indebtedness on commercially reasonable terms or at all. There can be no assurance that we will be able to obtain sufficient funds to enable us to repay or refinance our debt obligations on commercially reasonable terms, or at all.

### ***Our failure to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies in the future could reduce our ability to compete successfully and harm our results of operations.***

We may need to raise additional funds, and we may not be able to obtain additional debt or equity financing on favorable terms or at all. If we raise additional equity financing, our security holders may experience significant dilution of their ownership interests. If we engage in additional debt financing, we may be required to accept terms that restrict our ability to incur additional indebtedness, force us to maintain specified liquidity or other ratios or restrict our ability to pay dividends or make acquisitions. If we need additional capital and cannot raise it on acceptable terms, or at all, we may not be able to, among other things:

- develop and enhance our products;
- continue to expand our product development, sales, and marketing organizations;
- hire, train and retain employees;
- respond to competitive pressures or unanticipated working capital requirements; or
- pursue acquisition opportunities.

In addition, our Term Loan Facility also limits our ability to incur additional debt and therefore we likely would have to amend our Term Loan Facility or issue additional equity to raise capital. If we issue additional equity, your interest in us will be diluted.

## Risks Related to Ownership of Our Common Stock and This Offering

### *Vista controls us, and its interests may conflict with ours or yours in the future.*

Immediately following this offering, Vista will beneficially own approximately \_\_\_\_\_ % of our common stock, or \_\_\_\_\_ % if the underwriters exercise in full their option to purchase additional shares, which means that, based on its percentage voting power held after the offering, Vista will control the vote of all matters submitted to a vote of our board of directors, or our Board, or shareholders, which will enable it to control the election of the members of the Board and all other corporate decisions. In addition, our bylaws will provide that Vista will have the right to designate the Chairman of the Board for so long as Vista beneficially owns at least \_\_\_\_\_ % or more of the voting power of the then outstanding shares of our capital stock then entitled to vote generally in the election of directors. Even when Vista ceases to own shares of our stock representing a majority of the total voting power, for so long as Vista continues to own a significant portion of our stock, Vista will still be able to significantly influence the composition of our Board, including the right to designate the Chairman of our Board, and the approval of actions requiring shareholder approval. Accordingly, for such period of time, Vista will have significant influence with respect to our management, business plans, and policies, including the appointment and removal of our officers, decisions on whether to raise future capital and amending our charter and bylaws, which govern the rights attached to our common stock. In particular, for so long as Vista continues to own a significant percentage of our stock, Vista will be able to cause or prevent a change of control of us or a change in the composition of our Board, including the selection of the Chairman of our Board, and could preclude any unsolicited acquisition of us. The concentration of ownership could deprive you of an opportunity to receive a premium for your shares of common stock as part of a sale of us and ultimately might affect the market price of our common stock.

In addition, in connection with this offering, we will enter into a Director Nomination Agreement with Vista that provides Vista the right to designate: (i) all of the nominees for election to our Board for so long as Vista beneficially owns 40% or more of the total number of shares of our common stock it owns as of the date of this offering; (ii) a number of directors (rounded up to the nearest whole number) equal to 40% of the total directors for so long as Vista beneficially owns at least 30% and less than 40% of the total number of shares of our common stock it owns as of the date of this offering; (iii) a number of directors (rounded up to the nearest whole number) equal to 30% of the total directors for so long as Vista beneficially owns at least 20% and less than 30% of the total number of shares of our common stock it owns as of the date of this offering; (iv) a number of directors (rounded up to the nearest whole number) equal to 20% of the total directors for so long as Vista beneficially owns at least 10% and less than 20% of the total number of shares of our common stock it owns as of the date of this offering; and (v) one director for so long as Vista beneficially owns at least 5% and less than 10% of the total number of shares of our common stock it owns as of the date of this offering. The Director Nomination Agreement will also provide that Vista may assign such right to a Vista affiliate. The Director Nomination Agreement will prohibit us from increasing or decreasing the size of our Board without the prior written consent of Vista. See “Certain Relationships and Related Party Transactions — Related Party Transactions — Director Nomination Agreement” for more details with respect to the Director Nomination Agreement.

Vista and its affiliates engage in a broad spectrum of activities, including investments in the information and business services industry generally. In the ordinary course of their business activities, Vista and its affiliates may engage in activities where their interests conflict with our interests or those of our other shareholders, such as investing in or advising businesses that directly or indirectly compete with certain portions of our business or are suppliers or customers of ours. Our certificate of incorporation to be effective in connection with the closing of this offering will provide that none of Vista, any of its affiliates or any director who is not employed by us (including any non-employee director who serves as one of our officers in both his director and officer capacities) or its affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. Vista also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may

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not be available to us. In addition, Vista may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you.

***Upon listing of our shares on the NASDAQ, we will be a “controlled company” within the meaning of the rules of the NASDAQ and, as a result, we will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections as those afforded to stockholders of companies that are subject to such governance requirements.***

After completion of this offering, the Vista Funds will continue to control a majority of the voting power of our outstanding common stock. As a result, we will be a “controlled company” within the meaning of the corporate governance standards of the NASDAQ. Under these rules, a company of which more than 50% of the voting power for the election of directors is held by an individual, group or another company is a “controlled company” and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of our Board consist of independent directors;
- the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities;
- the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and
- the requirement for an annual performance evaluation of the nominating and corporate governance and compensation committees.

Following this offering, we intend to utilize these exemptions. As a result, we may not have a majority of independent directors on our Board, our Compensation and Nominating Committee may not consist entirely of independent directors and our Compensation and Nominating Committee may not be subject to annual performance evaluations. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the

***An active, liquid trading market for our common stock may not develop, which may limit your ability to sell your shares.***

Prior to this offering, there was no public market for our common stock. Although we have been approved to list our common stock on the NASDAQ under the symbol “IAS,” an active trading market for our shares may never develop or be sustained following this offering. The initial public offering price will be determined by negotiations between us and the underwriters and may not be indicative of market prices of our common stock that will prevail in the open market after the offering. A public trading market having the desirable characteristics of depth, liquidity, and orderliness depends upon the existence of willing buyers and sellers at any given time, such existence being dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of our common stock. The market price of our common stock may decline below the initial public offering price, and you may not be able to sell your shares of our common stock at or above the price you paid in this offering, or at all. An inactive market may also impair our ability to raise capital to continue to fund operations by issuing shares and may impair our ability to acquire other companies or technologies by using our shares as consideration.

***Provisions of our corporate governance documents could make an acquisition of us more difficult and may prevent attempts by our shareholders to replace or remove our current management, even if beneficial to our shareholders.***

In addition to Vista's beneficial ownership of \_\_\_\_\_ % of our common stock after this offering (or \_\_\_\_\_ %, if the underwriters exercise in full their option to purchase additional shares), our certificate of incorporation and bylaws to be effective in connection with the closing of this offering and the Delaware General Corporation Law (the "DGCL"), contain provisions that could make it more difficult for a third party to acquire us, even if doing so might be beneficial to our shareholders. Among other things:

- these provisions allow us to authorize the issuance of undesignated preferred stock, the terms of which may be established and the shares of which may be issued without shareholder approval, and which may include supermajority voting, special approval, dividend, or other rights or preferences superior to the rights of shareholders;
- these provisions provide for a classified board of directors with staggered three-year terms;
- these provisions provide that, at any time when Vista beneficially owns, in the aggregate, less than 40% in voting power of the stock entitled to vote generally in the election of directors, directors may only be removed for cause, and only by the affirmative vote of holders of at least 66 2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class;
- these provisions prohibit shareholder action by written consent from and after the date on which Vista beneficially owns, in the aggregate, less than 35% in voting power of our stock entitled to vote generally in the election of directors;
- these provisions provide that for as long as Vista beneficially owns, in the aggregate, at least 50% in voting power of our stock entitled to vote generally in the election of directors, any amendment, alteration, rescission, or repeal of our bylaws by our shareholders will require the affirmative vote of a majority in voting power of the outstanding shares of our stock and at any time when Vista beneficially owns, in the aggregate, less than 50% in voting power of all outstanding shares of our stock entitled to vote generally in the election of directors, any amendment, alteration, rescission or repeal of our bylaws by our shareholders will require the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class; and
- these provisions establish advance notice requirements for nominations for elections to our Board or for proposing matters that can be acted upon by shareholders at shareholder meetings; provided, however, at any time when Vista beneficially owns, in the aggregate, at least 10% in voting power of our stock entitled to vote generally in the election of directors, such advance notice procedure will not apply to it.

Our certificate of incorporation to be effective in connection with the closing of this offering will contain a provision that provides us with protections similar to Section 203 of the DGCL, and will prevent us from engaging in a business combination with a person (excluding Vista and any of its direct or indirect transferees and any group as to which such persons are a party) who acquires at least 15% of our common stock for a period of three years from the date such person acquired such common stock, unless board or shareholder approval is obtained prior to the acquisition. See "Description of Capital Stock — Anti-Takeover Effects of Our Certificate of Incorporation and Our Bylaws." These provisions could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other shareholders to elect directors of your choosing and cause us to take other corporate actions you desire, including actions that you may deem advantageous, or negatively affect the trading price of our common stock. In addition, because our Board is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our shareholders to replace current members of our management team.



These and other provisions in our certificate of incorporation, bylaws and Delaware law could make it more difficult for shareholders or potential acquirers to obtain control of our Board or initiate actions that are opposed by our then-current Board, including delay or impede a merger, tender offer or proxy contest involving our company. The existence of these provisions could negatively affect the price of our common stock and limit opportunities for you to realize value in a corporate transaction.

For information regarding these and other provisions, see “Description of Capital Stock.”

***Our certificate of incorporation will designate the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our shareholders and the federal district courts of the United States as the exclusive forum for litigation arising under the Securities Act, which could limit our shareholders’ ability to obtain a favorable judicial forum for disputes with us.***

Pursuant to our certificate of incorporation to be effective in connection with the closing of this offering, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our shareholders, (3) any action asserting a claim against us arising pursuant to any provision of the DGCL, our certificate of incorporation or our bylaws or (4) any other action asserting a claim against us that is governed by the internal affairs doctrine; provided that for the avoidance of doubt, the forum selection provision that identifies the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation, including any “derivative action”, will not apply to suits to enforce a duty or liability created by Securities Act, the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our certificate of incorporation will also provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolutions of any complaint asserting a cause of action arising under the Securities Act.

Moreover, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all claims brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder and our certificate of incorporation will also provide that, unless we consent in writing to the selection of an alternative forum and to the fullest extent permitted by law, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. While there can be no assurance that federal or state courts will follow the holding of the Delaware Supreme Court or determine that our federal forum provision should be enforced in a particular case, application of our federal forum provision means that suits brought by our stockholders to enforce any duty or liability created by the Securities Act must be brought in federal court and cannot be brought in state court.

Section 27 of the Exchange Act creates exclusive federal jurisdiction over all claims brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder and our certificate of incorporation will provide that neither the exclusive forum provision nor our federal forum provision applies to suits brought to enforce any duty or liability created by the Exchange Act. Accordingly, actions by our stockholders to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder must be brought in federal court. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations promulgated thereunder.

Our certificate of incorporation will further provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the provisions of our certificate of incorporation described above. See “Description of Capital Stock — Exclusive Forum”. The forum selection clause in our certificate of incorporation may have the effect of discouraging lawsuits against us or our directors and officers and may limit our shareholders’ ability to obtain a favorable judicial forum for disputes with us. If the enforceability of our forum selection provisions were to be challenged, we may incur additional costs associated with resolving such challenge. While we currently have no basis to expect any such

challenge would be successful, if a court were to find our forum selection provisions to be inapplicable or unenforceable with respect to one or more of these specified types of actions or proceedings, we may incur additional costs associated with having to litigate in other jurisdictions, which could have an adverse effect on our business, financial condition, results of operations, cash flows, and prospects and result in a diversion of the time and resources of our employees, management, and board of directors.

***If you purchase shares of common stock in this offering, you will suffer immediate and substantial dilution of your investment.***

The initial public offering price of our common stock is substantially higher than the pro forma net tangible book value per share of our common stock. Therefore, if you purchase shares of our common stock in this offering, you will pay a price per share that substantially exceeds our pro forma net tangible book value per share after this offering. Based on an assumed initial public offering price of \$ \_\_\_\_\_ per share, the mid-point of the price range set forth on the cover page of this prospectus, you will experience immediate dilution of \$ \_\_\_\_\_ per share, representing the difference between our pro forma net tangible book value per share after giving effect to this offering and the initial public offering price. In addition, purchasers of common stock in this offering will have contributed \_\_\_\_\_ % of the aggregate price paid by all purchasers of our common stock but will own only approximately \_\_\_\_\_ % of our common stock outstanding after this offering. See “Dilution” for more detail.

***A significant portion of our total outstanding shares are restricted from immediate resale but may be sold into the market in the near future. This could cause the market price of our common stock to drop significantly, even if our business is doing well.***

Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. After this offering, we will have \_\_\_\_\_ outstanding shares of common stock based on the number of shares outstanding as of March 31, 2021. This includes shares that we are selling in this offering, which may be resold in the public market immediately. Following the consummation of this offering, shares that are not being sold in this offering will be subject to a 180-day lock-up period provided under lock-up agreements executed in connection with this offering described in “Underwriting” and restricted from immediate resale under the federal securities laws as described in “Shares Eligible for Future Sale.” All of these shares will, however, be able to be resold after the expiration of the lock-up period, as well as pursuant to customary exceptions thereto or upon the waiver of the lock-up agreement by Morgan Stanley & Co. LLC on behalf of the underwriters. We also intend to register shares of common stock that we may issue under our equity compensation plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to the lock-up agreements. As restrictions on resale end, the market price of our stock could decline if the holders of currently restricted shares sell them or are perceived by the market as intending to sell them.

***Because we have no current plans to pay regular cash dividends on our common stock following this offering, you may not receive any return on investment unless you sell your common stock for a price greater than that which you paid for it.***

We do not anticipate paying any regular cash dividends on our common stock following this offering. Any decision to declare and pay dividends in the future will be made at the discretion of our Board and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions, and other factors that our Board may deem relevant. In addition, our ability to pay dividends is, and may be, limited by covenants of existing and any future outstanding indebtedness we or our subsidiaries incur, including under our Credit Agreement. Therefore, any return on investment in our common stock is solely dependent upon the appreciation of the price of our common stock on the open market, which may not occur. See “Dividend Policy” for more detail.

***If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our shares or if our results of operations do not meet their expectations, our stock price and trading volume could decline.***

The trading market for our shares will be influenced by the research and reports that industry or securities analysts publish about us or our business. We do not have any control over these analysts. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts who cover us downgrade our stock, or if our results of operations do not meet their expectations, our stock price could decline.

***We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.***

Our certificate of incorporation will authorize us to issue one or more series of preferred stock. Our Board will have the authority to determine the preferences, limitations, and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our shareholders. Our preferred stock could be issued with voting, liquidation, dividend, and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our common stock at a premium to the market price, and materially adversely affect the market price and the voting and other rights of the holders of our common stock.

## FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that are subject to risks and uncertainties. All statements other than statements of historical fact included in this prospectus are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “anticipate,” “estimate,” “expect,” “project,” “plan,” “intend,” “believe,” “may,” “will,” “should,” “can have,” “likely,” and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. For example, all statements we make relating to our estimated and projected costs, expenditures, cash flows, growth rates and financial results or our plans and objectives for future operations, growth initiatives, or strategies are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

- the adverse effect our business, operating results, financial condition, and prospects from the events of the current COVID-19 pandemic and related economic downturns;
- our dependence on the overall demand for advertising;
- a failure to innovate or make the right investment decisions may hurt customer growth or retention;
- our failure to maintain or achieve industry accreditation standards may hurt customer acceptance of our products;
- our ability to compete successfully with our current or future competitors in an intensely competitive market;
- our dependence on integrations with advertising platforms, DSPs, and proprietary platforms that we do not control;
- our international expansion may expose us to additional unforeseen risks;
- our ability to expand into new channels;
- our ability to sustain our profitability, and our revenue growth rate may decline;
- risks that our customers do not pay or choose to dispute their invoices;
- risks of material changes to revenue share agreements with certain DSPs;
- our ability to effectively manage our growth;
- the impact that any future acquisitions, strategic investments, or alliances may have on our business, financial condition, and results of operations;
- our ability to successfully execute our international plans;
- the risks associated with the seasonality of our market;
- our ability to maintain high impression volumes;
- the difficulty in evaluating our future prospects given our short operating history;
- uncertainty in how the market for buying digital advertising verification solutions will evolve;
- our ability to provide digital or cross-platform analytics;
- our ability to maintain our corporate culture;
- risks posed by earthquakes, fires, floods, and other natural catastrophic events;
- interruption by man-made problems such as terrorism, computer viruses, or social disruption;

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- the risk of failures in the systems and infrastructure supporting our solutions and operations;
- our ability to avoid operational, technical, and performance issues with our platform;
- risks associated with any unauthorized access to user, customer, or inventory and third-party provider data;
- our inability to use software licensed from third parties;
- our ability to provide the non-proprietary technology, software, products, and services that we use;
- the risk that we are sued by third parties for alleged infringement, misappropriation, or other violation of their proprietary rights;
- our ability to obtain, maintain, protect, or enforce intellectual property and proprietary rights that are important to our business;
- our involvement in lawsuits to protect or enforce our intellectual property;
- risks that our employees, consultants, or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers;
- risks that our trademarks and trade names are not adequately protected;
- the impact of unforeseen changes to privacy and data protection laws and regulation on digital advertising;
- the risk that a perceived failure to comply with laws and industry self-regulation may damage our reputation; and
- other factors disclosed in the section entitled “Risk Factors” and elsewhere in this prospectus.

We derive many of our forward-looking statements from our operating budgets and forecasts, which are based on many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this prospectus. All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements as well as other cautionary statements that are made from time to time in our other SEC filings and public communications. You should evaluate all forward-looking statements made in this prospectus in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our operations in the way we expect. The forward-looking statements included in this prospectus are made only as of the date hereof. We undertake no obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

## MARKET AND INDUSTRY DATA

Unless otherwise indicated, information in this prospectus concerning economic conditions, our industry, our markets, and our competitive position is based on a variety of sources, including information from independent industry analysts and publications, as well as our own internal estimates and research. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified this third-party information. While we believe the information presented in this prospectus is generally reliable, forecasts, assumptions, expectations, beliefs, estimates, and projects involve risk and uncertainties and are subject to change based on various factors, including those described under “Forward-Looking Statements” and “Risk Factors.”

Certain information in the text of this prospectus is contained in independent industry publications. The sources of these independent industry publications are provided below:

- eMarketer, Global Digital Ad Spending Update Q2 2020 (July 2020)
- Comscore, 2019 Global State of Mobile Report (December 2019)
- eMarketer, US Mobile Time Spent (June 2020)
- Statista, Digital Advertising Worldwide market outlook (October 2020)
- Pew Research Center, smartphone ownership in the US (June 2019)
- eMarketer, Worldwide Ad Spending, eMarketer’s Updated Estimates and Forecast for 2015-2020 (October 2016)
- eMarketer, US Time Spent with Media 2020 (April 2020)
- eMarketer, US Connected TV Advertising 2020 (November 2020)
- eMarketer, Digital Ad Fraud 2019 (February 2019)
- CMO Council / Dow Jones – Study (September 2017)
- Marketingdive.com – Study (July 2018)
- YouTube for Press ([www.blog.youtube/press](http://www.blog.youtube/press) as of February 2021)
- Facebook, Inc., Q1 2019 Earnings Call (April 2019)
- eMarketer, US Programmatic Digital Display Advertising Outlook 2021 (January 2021)
- eMarketer, US Digital Display Advertising Is Weathering the Storm (August 2020)
- Juniper Research, Future Digital Advertising: Artificial Intelligence & Advertising Fraud 2019-2023 (May 2019)

Information contained on or accessible through the websites referenced above is not a part of this prospectus and the inclusion of the website addresses referenced above in this prospectus are inactive textual references only.

## USE OF PROCEEDS

We estimate that our net proceeds from this offering will be approximately \$ \_\_\_\_\_ million (or approximately \$ \_\_\_\_\_ million if the underwriters' option to purchase additional shares is exercised in full), assuming an initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting the underwriting discount and estimated offering expenses payable by us.

The principal purposes of this offering are to increase our capitalization and financial flexibility, create a public market for our common stock and enable access to the public equity markets for us and our shareholders. We expect to use approximately \$ \_\_\_\_\_ million of the net proceeds of this offering (or \$ \_\_\_\_\_ million of the net proceeds of this offering if the underwriters exercise their option to purchase additional shares in full) to repay outstanding borrowings under our Credit Agreement and the remainder of such net proceeds will be used for general corporate purposes. At this time, other than repayment of indebtedness under our Credit Agreement, we have not specifically identified a large single use for which we intend to use the net proceeds and, accordingly, we are not able to allocate the net proceeds among any of these potential uses in light of the variety of factors that will impact how such net proceeds are ultimately utilized by us. Pending use of the proceeds from this offering, we intend to invest the proceeds in a variety of capital preservation investments, including short-term, investment-grade and interest-bearing instruments.

We may also use a portion of our net proceeds to acquire or invest in complementary businesses, products, services or technologies. However, we do not have agreements or commitments for any acquisitions or investments at this time.

Each \$1.00 increase or decrease in the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the estimated public offering price range set forth on the cover page of this prospectus, would increase or decrease the net proceeds to us from this offering by approximately \$ \_\_\_\_\_ million, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same, and after deducting the underwriting discount and estimated offering expenses payable by us.

Each 1,000,000 increase or decrease in the number of shares offered would increase or decrease the net proceeds to us from this offering by approximately \$ \_\_\_\_\_ million, assuming that the assumed initial public offering price per share for the offering remains at \$ \_\_\_\_\_, which is the midpoint of the estimated public offering price range set forth on the cover page of this prospectus, and after deducting the underwriting discount and estimated offering expenses payable by us.

Borrowings under the Credit Agreement bear interest at a rate per annum, at the borrower's option, equal to an applicable margin, plus, (a) for alternate base rate borrowings, the highest of (i) the rate last quoted by The Wall Street Journal as the "prime rate" in the United States, (ii) the Federal Funds Rate in effect on such day plus 1/2 of 1.00% and (iii) the Adjusted LIBOR for a one month interest period on such day plus 1.00% and (b) for eurodollar borrowings, the Adjusted LIBOR determined by the greater of (i) the LIBOR for the relevant interest period divided by 1 minus the statutory reserves (if any) and (ii) 1.00%.

The applicable margin for borrowings under the Credit Agreement is (a) for alternate base rate borrowings, (i) 5.00% so long as the total leverage ratio is greater than 6.50 to 1.00, (ii) 4.50% so long as the total leverage ratio is less than or equal to 6.50 to 1.00 and greater than 5.75 to 1.00 or (iii) 4.00% so long as the total leverage ratio is less or equal to 5.75 to 1.00 and (b) for eurodollar borrowings, (i) 6.00% so long as the total leverage ratio is greater than 6.50 to 1.00, (ii) 5.50% so long as the total leverage ratio is less than or equal to 6.50 to 1.00 and greater than 5.75 to 1.00 or (iii) 5.00% so long as the total leverage ratio is less or equal to 5.75 to 1.00. The total leverage ratio is determined in accordance with the terms of the Credit Agreement. In prior periods, there was an additional Paid in Kind ("PIK") interest payment equal to 1.25%; however, the payment of such interest is not currently in effect pursuant to the terms of the Credit Agreement.

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The contract interest rate on the Term Loan Facility was 7.0% per annum as of March 31, 2021. The Term Loan Facility does not require periodic principal payments.

As of March 31, 2021, the interest rate for the Revolving Credit Facility was 7.0% per annum. As of March 31, 2021, the Company did not have any amounts outstanding on the Revolving Credit Facility. The borrower is also required to pay a commitment fee on the average daily undrawn portion of the Revolving Credit Facility of 0.375%-0.50% per annum (varying based on the leverage ratio tiers applicable to the applicable margin as described above), a letter of credit fronting fee of 0.125% per annum and a letter of credit participation fee equal to the applicable margin for eurodollar revolving loans on the actual daily amount of the letter of credit exposure.



## **DIVIDEND POLICY**

We currently intend to retain all available funds and any future earnings to fund the development and growth of our business and to repay indebtedness and, therefore, we do not anticipate paying any cash dividends in the foreseeable future. Additionally, our ability to pay dividends on our common stock is limited by restrictions on the ability of our subsidiaries to pay dividends or make distributions to us. Any future determination to pay dividends will be at the discretion of our Board, subject to compliance with covenants in current and future agreements governing our and our subsidiaries' indebtedness, and will depend on our results of operations, financial condition, capital requirements and other factors that our Board may deem relevant. Additionally, our Credit Agreement place restrictions on the ability of our subsidiaries to pay cash dividends or make distributions to us. See the section titled "Description of Indebtedness."

## CAPITALIZATION

The following table describes our cash and cash equivalents and capitalization as of March 31, 2021, as follows:

- of Integral Ad Science Holding LLC on an actual basis;
- of Integral Ad Science Holding Corp. on an as adjusted basis, after giving effect to the Corporate Conversion; and
- of Integral Ad Science Holding Corp. on a pro forma as adjusted basis, after giving effect to the Corporate Conversion and our sale of \_\_\_\_\_ shares of common stock in this offering and the application of the net proceeds from this offering as set forth under “Use of Proceeds,” assuming an initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting the underwriting discount and estimated offering expenses payable by us.

The pro forma as adjusted information set forth in the table below is illustrative only and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. You should read this table in conjunction with our consolidated financial statements and the related notes, “Use of Proceeds,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Corporate Conversion” included elsewhere in this prospectus.

	As of March 31, 2021		
	Actual	As Adjusted for the Corporate Conversion	Pro Forma As Adjusted for the Corporate Conversion and the Offering
<i>(in thousands except per share amounts)</i>			
Cash and Cash equivalents	\$ 50,751	\$ _____	\$ _____
Total debt, including current portion <sup>(1)</sup> :			
Revolving credit facility <sup>(2)</sup>	—		
Term loan facility	351,780		
Total long-term debt	\$ 351,780		
Members’ / shareholders’ equity:			
Members’ capital, \$1,000 par value, 608,695 authorized and 553,454 units issued and outstanding; no units authorized, issued or outstanding pro forma and as adjusted as adjusted	553,304		
Preferred stock, \$0.001 par value; no shares authorized, issued or outstanding, actual; 50,000,000 shares authorized and no shares issued or outstanding, as adjusted and pro forma as adjusted <sup>(3)</sup>			
Common stock, no shares issued and outstanding, actual; 500,000,000 shares authorized, shares issued and outstanding, as adjusted; 500,000,000 shares authorized, shares issued and outstanding, pro forma as adjusted <sup>(3)</sup>			
Additional paid-in capital	—		
Accumulated other comprehensive income	2,619		
Accumulated deficit	(130,322)		
Total members’ / shareholders’ equity	425,601		
Total capitalization	\$ 777,381	\$ _____	\$ _____

(1) Net of debt issuance costs of \$4.2 million.

(2) As of March 31, 2021, we had \$0 outstanding under the revolving credit facility and had \$25.0 million in undrawn capacity (after giving effect to \$0 million of outstanding letters of credit).

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- (3) As adjusted to reflect the conversion of our outstanding members' units into shares of our common stock in conjunction with the Corporate Conversion.

A \$1.00 increase or decrease in the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease each of cash and cash equivalents, additional paid-in capital, total shareholders' equity and total capitalization on pro forma as adjusted basis by approximately \$ \_\_\_\_\_ million, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same, and after deducting the underwriting discount and estimated offering expenses payable by us.

Each 1,000,000 increase or decrease in the number of shares of common stock offered in this offering would increase or decrease each of cash and cash equivalents, additional paid-in capital, total shareholders' equity (deficit) and total capitalization on pro forma as adjusted basis by approximately \$ \_\_\_\_\_ million, based on an assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting the underwriting discount and estimated offering expenses payable by us.

Except as otherwise indicated, the above discussion and table are based on \_\_\_\_\_ shares of our common stock outstanding as of March 31, 2021 and excludes \_\_\_\_\_ million shares of common stock reserved for future issuance under the 2021 Plan.

## DILUTION

If you invest in our common stock in this offering, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock in this offering and the pro forma as adjusted net tangible book value per share of our common stock immediately after this offering.

As of March 31, 2021, we had a pro forma as adjusted net tangible book value of \$ \_\_\_\_\_ million, or \$ \_\_\_\_\_ per share of common stock. Pro forma as adjusted net tangible book value per share is equal to our total tangible assets, less total liabilities, divided by the number of outstanding shares of our common stock after giving effect to the Corporate Conversion.

After giving effect to the sale of shares of common stock in this offering, after deducting the underwriting discount and estimated offering expenses payable by us, and the application of the net proceeds of this offering to repay \$ \_\_\_\_\_ million of outstanding borrowings under our Credit Agreement as set forth under "Use of Proceeds," at an assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover of this prospectus, our pro forma as adjusted net tangible book value as of March 31, 2021 would have been \$ \_\_\_\_\_ million, or \$ \_\_\_\_\_ per share of common stock. This represents an immediate increase in pro forma as adjusted net tangible book value of \$ \_\_\_\_\_ per share to our existing shareholders and an immediate dilution in pro forma as adjusted net tangible book value of \$ \_\_\_\_\_ per share to investors participating in this offering at the assumed initial public offering price. The following table illustrates this per share dilution:

Assumed initial public offering price per share	\$
Historical pro forma adjusted net tangible book value per share as of March 31, 2021	\$
Increase in pro forma as adjusted net tangible book value per share attributable to the investors in this offering	<u>                    </u>
Pro forma as adjusted net tangible book value per share after giving effect to this offering	<u>                    </u>
Dilution in pro forma as adjusted net tangible book value per share to the investors in this offering	<u><u>                    </u></u>

A \$1.00 increase or decrease in the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the estimated public offering price range set forth on the cover page of this prospectus, would increase or decrease our pro forma as adjusted net tangible book value per share after this offering by \$ \_\_\_\_\_, and would increase or decrease the dilution per share to the investors in this offering by \$ \_\_\_\_\_, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the underwriting discount and estimated offering expenses payable by us. Similarly, each increase or decrease of one million shares in the number of shares of common stock offered by us would increase or decrease our pro forma as adjusted net tangible book value per share after this offering by \$ \_\_\_\_\_ and would increase or decrease dilution per share to investors in this offering by \_\_\_\_\_, assuming the assumed initial public offering price, which is the midpoint of the price range set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discount and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares in full, the pro forma as adjusted net tangible book value per share after this offering would be \$ \_\_\_\_\_, and the dilution in pro forma as adjusted net tangible book value per share to new investors in this offering would be \$ \_\_\_\_\_.

The following table presents, on a pro forma as adjusted basis as described above, as of March 31, 2021, after giving effect to (i) the completion of the Corporate Conversion prior to the completion of this offering and (ii) the differences between our existing shareholders and the investors purchasing shares of our common stock in this offering, with respect to the number of shares purchased, the total consideration paid to us, and the average

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price per share paid by our existing shareholders or to be paid to us by investors purchasing shares in this offering at an assumed offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting the underwriting discount and estimated offering expenses payable by us.

	<u>Shares Purchased</u>		<u>Total Consideration</u>		<u>Average</u>
	<u>Number</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>	<u>Price Per Share</u>
Existing Shareholders		%	\$	%	\$
New Investors					
Total		%	\$	%	\$

A \$1.00 increase or in the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease the total consideration paid by new investors by \$ \_\_\_\_\_ million and increase or decrease the percent of total consideration paid by new investors by \_\_\_\_\_%, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and before deducting the underwriting discount and estimated offering expenses payable by us.

Except as otherwise indicated, the above discussion and tables assume no exercise of the underwriters' option to purchase additional shares. After giving effect to sales of shares in this offering, assuming the underwriters' option to purchase additional shares is exercised in full, our existing shareholders would own \_\_\_\_\_% and our new investors would own \_\_\_\_\_% of the total number of shares of our common stock outstanding after this offering.

In addition, to the extent we issue any additional stock options or any stock options are exercised, or we issue any other securities or convertible debt in the future, investors participating in this offering may experience further dilution.

Except as otherwise indicated, the above discussion and tables are based on \_\_\_\_\_ shares of our common stock outstanding as of March 31, 2021 after giving effect to the Corporate Conversion, and excludes \_\_\_\_\_ million shares of common stock reserved for future issuance under the 2021 Plan.

## SELECTED CONSOLIDATED FINANCIAL DATA

The following tables present our selected consolidated financial data. The selected consolidated statements of operations and comprehensive loss data for the years ended December 31, 2019 and December 31, 2020, the selected consolidated statement of cash flows data for the years ended December 31, 2019 and December 31, 2020 and the selected consolidated balance sheet data as of December 31, 2019 and December 31, 2020 are derived from our audited consolidated financial statements that are included elsewhere in this prospectus. The selected consolidated statements of operations and comprehensive loss data and selected consolidated statement of cash flows data for the three months ended March 31, 2020 and 2021, and the selected consolidated balance sheet data as of March 31, 2020 and 2021 are derived from our unaudited interim condensed consolidated financial statements that are included elsewhere in this prospectus. In the opinion of management, the unaudited interim condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the financial information contained in those statements. Our historical results are not necessarily indicative of the results that may be expected in the future. You should read the selected historical financial data below in conjunction with the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and related notes included elsewhere in this prospectus.

(in thousands, except unit, per unit, Net Loss Margin and Adjusted EBITDA margin)

	Year Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
<b>Consolidated Statement of Operations and Comprehensive Loss:</b>				
Revenue	\$ 213,486	\$ 240,633	\$ 54,042	\$ 66,952
Operating expenses:				
Cost of revenue (excluding depreciation and amortization shown below)	33,107	40,506	9,155	11,420
Sales and marketing	71,300	66,022	18,370	16,545
Technology and development	40,403	48,991	12,336	12,769
General and administrative	32,135	33,286	7,640	8,547
Depreciation and amortization	70,327	65,708	16,338	14,395
Total operating expenses	<u>247,272</u>	<u>254,513</u>	<u>63,839</u>	<u>63,676</u>
Operating (loss) income	(33,786)	(13,880)	(9,797)	3,276
Interest expense, net	(32,994)	(31,570)	(8,258)	(6,960)
Net loss before benefit from income taxes	(66,780)	(45,450)	(18,055)	(3,684)
Benefit from income taxes	15,432	13,076	3,611	912
Net loss	\$ (51,348)	\$ (32,374)	\$ (14,444)	\$ (2,772)
Net loss margin	<u>(24)%</u>	<u>(13)%</u>	<u>(27)%</u>	<u>(4)%</u>
Other comprehensive income (loss):				
Foreign currency translation adjustments	421	4,348	(1,914)	(1,904)
Total comprehensive loss	<u>\$ (50,927)</u>	<u>\$ (28,026)</u>	<u>\$ (16,358)</u>	<u>\$ (4,676)</u>
<b>Per Unit Data:</b>				
Net loss per unit:				
Net loss per unit, basic and diluted	<u>\$ (94.42)</u>	<u>\$ (58.45)</u>	<u>\$ (26.08)</u>	<u>\$ (5.01)</u>
Weighted average units outstanding				
Basic and diluted	<u>543,840</u>	<u>553,902</u>	<u>553,938</u>	<u>553,751</u>
<b>Consolidated Statement of Cash Flow Data:</b>				
Net cash provided by (used in) operating activities	\$ (1,854)	\$ 33,937	1,409	7,697
Net cash provided by (used in) investing activities	\$ (25,034)	\$ (9,662)	(4,899)	(6,377)
Net cash provided by (used in) financing activities	\$ 13,656	\$ (1,696)	(612)	(1,338)
<b>Non-GAAP Financial Data:</b>				
Adjusted EBITDA <sup>(1)</sup>	\$ 38,777	\$ 56,396	6,693	18,787
Adjusted EBITDA margin <sup>(2)</sup>	18%	23%	12%	28%

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- (1) For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net loss, the most directly comparable measure calculated and presented in accordance with GAAP, see “Non-GAAP Financial Measures.”
- (2) For a definition of Adjusted EBITDA margin and a reconciliation of Adjusted EBITDA margin to net loss margin, the most directly comparable measure calculated and presented in accordance with GAAP, see “Non-GAAP Financial Measures.”

(in thousands)

	March 31, 2021	
	Actual	Pro Forma as Adjusted(1)(2)
<b>Consolidated Balance Sheet Data (at end of period):</b>		
Cash and cash equivalents	\$ 50,751	
Total assets	\$ 838,529	
Working capital	\$ 93,104	
Debt	\$ 351,780	
Accumulated deficit	\$ (130,322)	
Total liabilities and members' equity	\$ 838,529	

- (1) The pro forma as adjusted column reflects: (i) the pro forma adjustments following (a) the completion of the Corporate Conversion and (b) the filing and effectiveness of our restated certificate of incorporation in Delaware, which will occur immediately prior to the completion of this offering; (ii) the sale of \_\_\_\_\_ shares of our common stock in this offering at an assumed initial public offering price per share of \$ \_\_\_\_\_ (the midpoint of the estimated offering price range set forth on the cover page of this prospectus), after deducting underwriting discounts and commissions and estimated offering expenses payable by us; and (iii) the application of the net proceeds from this offering as set forth under the section titled “Use of Proceeds.”
- (2) The pro forma as adjusted information discussed above is illustrative only and will depend on the actual initial public offering price and other terms of this offering determined at pricing. Each \$1.00 increase or decrease in the assumed initial public offering price per share of \$ \_\_\_\_\_ (the midpoint of the estimated offering price range set forth on the cover page of this prospectus), would increase or decrease, as applicable, each of our pro forma as adjusted cash and cash equivalents, total assets, working capital, and total members' deficit by approximately \$ \_\_\_\_\_ million, assuming the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each 1.0 million share increase or decrease in the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, would increase or decrease, as applicable, each of our pro forma as adjusted cash and cash equivalents, total assets, working capital, and total members' deficit by approximately \$ \_\_\_\_\_ million, assuming no change in the assumed initial public offering price per share and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

### Non-GAAP Financial Measures

We use supplemental measures of our performance, which are derived from our consolidated financial information but which are not presented in our consolidated financial statements prepared in accordance with GAAP. Adjusted EBITDA is the primary financial performance measure used by management to evaluate our business and monitor ongoing results of operations. Adjusted EBITDA is defined as earnings (loss) before interest expense, income taxes, depreciation and amortization, including amortization of debt issuance costs and is further adjusted for IPO readiness costs, acquisition related costs, restructuring and integration costs. Adjusted EBITDA margin represents the Adjusted EBITDA for the applicable period divided by the revenue for that period presented in accordance with GAAP.

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We use non-GAAP financial measures to supplement financial information presented on a GAAP basis. We believe that excluding certain items from our GAAP results allows management to better understand our consolidated financial performance from period to period and better project our future consolidated financial performance as forecasts are developed at a level of detail different from that used to prepare GAAP-based financial measures. Moreover, we believe these non-GAAP financial measures provide our shareholders with useful information to help them evaluate our operating results by facilitating an enhanced understanding of our operating performance and enabling them to make more meaningful period-to-period comparisons. Although we believe these measures are useful to investors and analysts for the same reasons they are useful to management, as discussed below, these measures are not a substitute for, or superior to, U.S. GAAP financial measures or disclosures. Our non-GAAP financial measures may not be comparable to similarly titled measures of other companies. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

The non-GAAP financial measures are not meant to be considered as indicators of performance in isolation from or as a substitute for net income (loss) prepared in accordance with GAAP, and should be read only in conjunction with financial information presented on a GAAP basis. Reconciliation of Adjusted EBITDA to its most directly comparable GAAP financial measure, net loss, is presented below. We encourage you to review the reconciliations in conjunction with the presentation of the non-GAAP financial measures for each of the periods presented. In future fiscal periods, we may exclude such items and may incur income and expenses similar to these excluded items.

### **Reconciliation of Adjusted EBITDA**

<i>(in thousands)</i>	Year Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
<b>Net loss</b>	\$ (51,348)	\$ (32,374)	\$ (14,444)	\$ (2,772)
Depreciation and amortization expense	70,327	65,708	16,338	14,395
Interest expense, net	32,994	31,570	8,258	6,960
(Benefit from) provision for income taxes	(15,432)	(13,076)	(3,611)	(912)
Acquisition, restructuring and integration costs	2,236	3,527	152	171
IPO readiness costs	—	1,041	—	945
<b>Adjusted EBITDA</b>	<u>\$ 38,777</u>	<u>\$ 56,396</u>	<u>\$ 6,693</u>	<u>\$ 18,787</u>
<b>Revenue</b>	<u>\$ 213,486</u>	<u>\$ 240,633</u>	<u>\$ 54,042</u>	<u>\$ 66,952</u>
<b>Net loss margin</b>	<u>(24)%</u>	<u>(13)%</u>	<u>(27)%</u>	<u>(4)%</u>
<b>Adjusted EBITDA margin</b>	<u>18%</u>	<u>23%</u>	<u>12%</u>	<u>28%</u>



## LETTER FROM LISA UTZSCHNEIDER

An early pioneer in advertising, John Wanamaker once stated, “Half the money I spend on advertising is wasted; the trouble is, I don’t know which half.” More than 100 years later, his words reflect what many advertisers—from the world’s largest to emerging brands—still face, and it is a challenge that Integral Ad Science (IAS) was built to solve.

Cultivating a brand and eliminating wasted ad spend have always been big challenges. Now that digital advertising budgets have grown to surpass traditional media spending, the stakes are even higher. Since its founding in 2009, IAS has been at the forefront of ad verification, bringing quality and trust to digital advertising. Today, many advertisers and publishers rely on digital platforms to determine how successful their campaigns are and how well they monetize inventory, with limited ability to verify key metrics. This is where IAS comes in. As an independent provider of digital ad verification, we work across the entire industry to establish transparency and accountability. Trust is the foundation of our company and our future. We believe our role is essential and will only grow in the years ahead.

Digital content is created at a faster pace every year, driven in large part by the exponential growth of social media and video, adding new dimensions to trust in the marketing world. Advertisers are increasingly focused on brand safety and they want to ensure that their ads appear in contexts that match their values. I am proud to report that this is an area where we excel.

Our mission is to be the global benchmark for trust and transparency in digital media quality.

- We activate digital advertising technology where it counts, across all devices, channels, and platforms, in 111 countries.
- We deliver real-time verification to ensure that digital ads are viewed by a human and not a bot, in a brand-safe and suitable environment.
- We process trillions of data events every month to provide insights for our customers at high velocity, powered by advanced artificial intelligence (AI) and machine learning (ML).
- We integrate with the entire digital ecosystem including Amazon, Facebook, Google, LinkedIn, Microsoft, and more.
- We protect brand equity and brand reputation.
- We optimize ad spend and publisher yield.
- We play a critical role in shaping the future of brand safety guidelines and industry standards.

During my twenty-plus year career creating and growing advertising businesses at some of the world’s largest companies, I have spent a lot of time with customers across the globe to understand their goals and challenges. At IAS, I see a unique opportunity to bring technology and data together to help our more than 1,900 advertising customers achieve their goals. You could say I am customer-obsessed and a builder at heart. As an industry, the digital ad market is expected to reach \$526 billion in global spend by 2024, and at IAS we have a tremendous opportunity to make a positive difference by revolutionizing ad verification.

With our values-driven culture and exceptional team, we are well-positioned to take on this opportunity. When I joined IAS in 2019, we developed six values that define who we are as a company. We strive to live by them every day, in every decision we make. These values bind us together and inspire us. I could not be prouder of what we have already accomplished.

- **We Innovate.** We build cool stuff. Innovation is at the core of what we do. We build products, deliver solutions, and generate ideas that provide valuable and valued functions for our customers.
- **We Are Accountable.** We hold ourselves and each other accountable for our conduct with teammates and our customers. We take full ownership for our deliverables.

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- **We Do the Right Thing.** Regardless of whether anyone is looking or not. We act with honesty, transparency, and integrity in working with each other and with our customers.
- **We Are Customer Obsessed.** We put the customer front and center of everything that we do. Our customers' success is our success.
- **We have a Bias for Action.** Speed matters in business. We move at high velocity and we privilege risk-taking.
- **We Are One Team.** We value and rely on each other. We are inclusive. We show up for each other, and we act with empathy and consideration for the benefit of the team. None of us succeeds if our team does not succeed. So, we never say "that's not my job."  
#WeAreOneTeam

We are extremely excited for this next step in our journey. Our vision is to change digital advertising by making it better for our customers and deliver value for our shareholders. We invite you to join us.

Lisa Utzschneider

Chief Executive Officer

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the section titled "Selected Consolidated Financial Data" and our consolidated financial statements and related notes appearing elsewhere in this prospectus. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. When reviewing the discussion below, you should keep in mind the substantial risks and uncertainties that could impact our business. In particular, we encourage you to review the risks and uncertainties described in the section titled "Risk Factors" included elsewhere in this prospectus. These risks and uncertainties could cause actual results to differ materially from those projected in forward-looking statements contained in this report or implied by past results and trends. Our fiscal year ends on December 31. Our historical results are not necessarily indicative of the results that may be expected for any period in the future, and our interim results are not necessarily indicative of the results we expect for the full fiscal year or any other period.*

Unless the context otherwise requires, the terms "Company," "Integral Ad Science Holding Corp.," "IAS," "we," "us," "our," or similar terms refer to Integral Ad Science Holding LLC and its consolidated subsidiaries before the Corporate Conversion, and Integral Ad Science Holding Corp. and, where appropriate, its subsidiaries after the Corporate Conversion.

### Overview

We are a leading digital advertising verification company by revenue. With our cloud-based technology platform and the actionable insights it provides, we deliver independent measurement and verification of digital advertising across all devices, channels, and formats, including desktop, mobile, connected TV ("CTV"), social, display, and video. Our proprietary and Media Rating Council (the "MRC") accredited Quality Impressions™ metric is designed to verify that digital ads are served to a real person rather than a bot, viewable on-screen, and appear in a brand-safe and suitable environment in the correct geography.

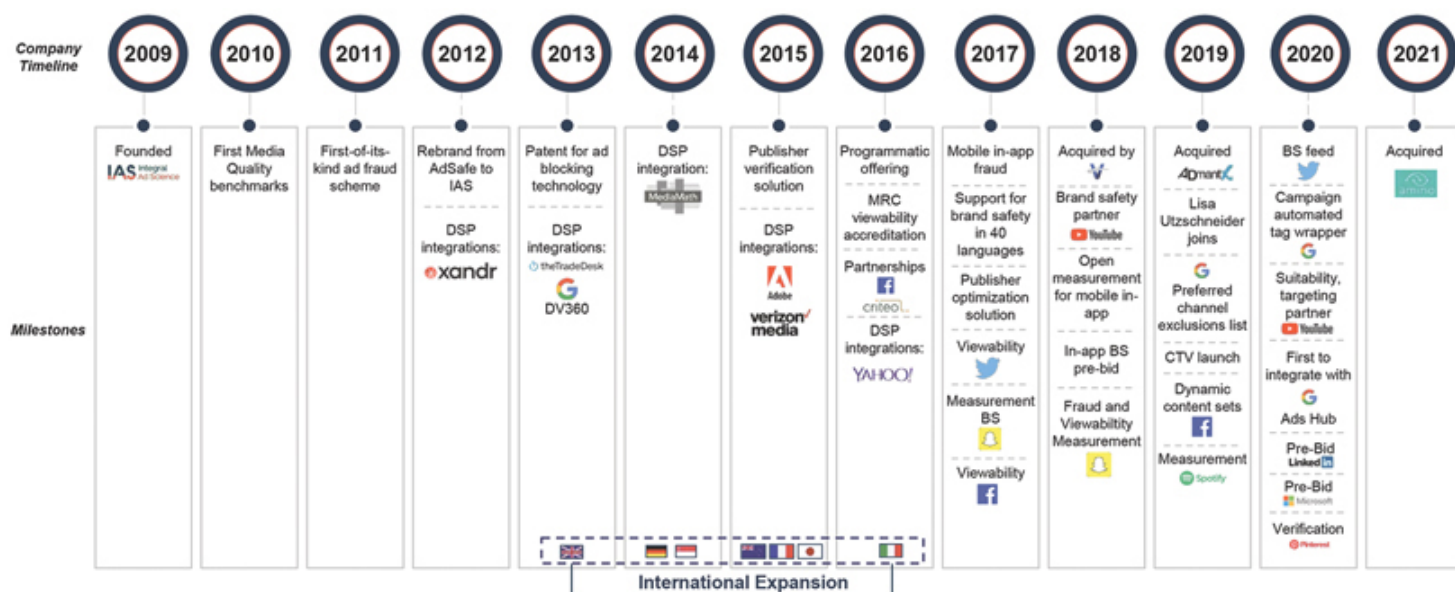
Without an independent evaluation of digital advertising quality, brands and their agencies previously relied on a wide range of publishers and ad platforms to self-report and measure the effectiveness of campaigns without a global benchmark to understand success. We are an independent, trusted partner for buyers and sellers of digital advertising to increase accountability, transparency, and effectiveness in the market. We help advertisers optimize their ad spend and better measure consumer engagement with campaigns across platforms, while enabling publishers to improve their inventory yield and revenue.

As a leading ad verification partner, we have deep integrations with all the major advertising and technology platforms including Amazon, Facebook, Google, Instagram, LinkedIn, Microsoft, Pinterest, Snap, Spotify, The Trade Desk, Twitter, Verizon Media, Xandr, and YouTube. Our platform uses advanced artificial intelligence ("AI") and machine learning ("ML") technologies to process over 100 billion daily web transactions on average. With this data, we deliver real-time insights and analytics to our global customers through our easy-to-use IAS Reporting Platform helping brands, agencies, publishers, and platform partners improve media quality and campaign performance.

Our pre-bid and post-bid verification solutions enable advertisers to measure campaign performance and value across viewability, ad fraud prevention, brand safety and suitability, and contextual targeting for ads on desktop, mobile in-app, social, and connected TV platforms. Our pre-bid programmatic solution is directly integrated with DSPs to help optimize return on ad spend ("ROAS") by directing budget to the best available inventory. Our solutions help hundreds of publishers globally deliver high quality ad inventory that is fraud free, viewable, brand safe and suitable, and geographically targeted. With our Context Control solution, we help publishers classify and package their inventory to showcase quality placements, increase site engagement, drive revenue, and reduce blocking.

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We have an attractive financial profile with a combination of growth and profitability. For the three months ended March 31, 2020, we generated a Net Loss of \$14.4 million, which reduced to \$2.8 million for the three months ended March 31, 2021, representing a 81% reduction in net losses period-over-period. Our Net Loss margin improved from (27)% to (4)% for the three months ended March 31, 2020 compared to the three months ended March 31, 2021, as a result of our revenue growth and our ability to reduce costs and improve efficiencies. Our Adjusted EBITDA improved from \$6.7 million to \$18.8 million which represents a 181% increase period over period, and our Adjusted EBITDA margin improved from 12% to 28% for three months ended March 31, 2020 and 2021, respectively. Our revenue grew from \$213.5 million to \$240.6 million for the two-year period ending December 31, 2020, representing a year-over-year growth rate of 13%. For the year ended December 31, 2019, we generated a Net Loss of \$51.3 million which reduced to \$32.4 million for the year ended December 31, 2020 representing a 37% reduction in losses year-over-year. Our Net Loss margin improved from (24)% to (13)% as a result of our revenue growth combined with our measures to reduce costs and improve efficiencies. Our Adjusted EBITDA improved from \$38.8 million to \$56.4 million which represents a 45% increase year-over-year, and our Adjusted EBITDA margin improved from 18% to 23% for the years ended December 31, 2019 and 2020, respectively. Also, our ability to grow revenue within our existing customer accounts has remained strong. From December 31, 2017 to December 31, 2020, our average revenue per customer for our top 100 customers has grown at a CAGR of 22% and revenue attributable to our top 100 customers approximated 70% of our total revenue for each of these years.



**COVID-19**

Since January 2020, an outbreak of the 2019 novel coronavirus (COVID-19) has evolved into a worldwide pandemic. The outbreak sparked responses across countries, states and cities worldwide to enforce various measures of social distancing, shelter-in-place orders, and temporary closure of non-essential businesses to reduce further transmission of the virus. As a result of these measures, the U.S. and global markets have seen significant disruption, the extent and duration of which remains highly uncertain. Due to the pandemic, we have temporarily closed our offices globally, including our corporate headquarters, and are operating with substantially all staff working remotely. Management reviews operations on a continuous basis and there have been minimal interruptions in our customer facing operations to date.

We have continued to experience revenue growth year-over-year and the primary impact of the pandemic on our business has been reduced revenue growth, a decline in our total number of large advertising customers and our publishers and a reduction in our net revenue retention in 2020 compared to 2019. The underlying demand for our products has remained stable. The severity, magnitude and duration of the current COVID-19 pandemic is uncertain, rapidly changing, and hard to predict and depends on events beyond our knowledge or control. These

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and other impacts of the COVID-19 pandemic could have the effect of heightening many of the other risks described in the “Risk Factors” section, such as those relating to our reputation, product sales, results of operations or financial condition. We might not be able to predict or respond to all impacts on a timely basis to prevent near- or long-term adverse impacts to our results. As a result, we cannot at this time predict the impact of the COVID-19 pandemic, but it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

To date, we have not experienced a material increase in customers’ cancellations, or requests for more favorable contractual terms, or concessions. In addition, we have not experienced a significant deterioration in the collectability of our receivables or a material negative impact from our vendors and third-party service providers. Further, we have not incurred impairment losses in the carrying values of our assets as result of the pandemic and are not aware of any specific events or circumstances that would require a revision to the estimates reflected in our consolidated financial statements.

We have had sufficient liquidity and capital resources to continue to meet our operating needs and our ability to continue to service our debt or other financial obligations is not currently impaired.

### **Our Business Model**

We generate revenue based on the volume of purchased digital ads that our solution measures. Advertisers use our digital marketing solutions for ad viewability, brand safety, optimization, context control, and ad fraud prevention. Advertisers pay us based on the total volume of impressions, which is our primary contracting model. Certain contracts with advertisers have pricing with a minimum commitment and/or fixed fee, plus overage, based on a predetermined number of impressions. We maintain an expansive set of integrations across the digital advertising ecosystem, including with leading programmatic and social platforms, which enables us to cover all key channels, formats and devices. We generate revenue from sell-side customers from contracts that are generally for twelve-month terms (with auto renew), and a fixed fee each month (tied to a total number of impressions), and an average CPM that is applied when impressions exceed the impression threshold for a particular tier.

### **Key Factors Affecting Our Performance**

Our historical financial performance has been, and we expect our financial performance in the future to be, driven by our ability to:

#### ***Innovate and Develop New Products for Key High-Growth Segments***

- *Programmatic.* We aim to deliver transparency to programmatic ad buying via innovative solutions including contextual targeting and brand safety and suitability.
- *Social.* We plan to develop deeper integrations with social platforms, also known as Walled Gardens, including feed-based brand safety and suitability, to be able to deliver continued transparency to our customers.
- *Connected TV.* We plan to continue to expand CTV-specific verification solutions and contextual capabilities to address the fast-growing connected TV segment.
- *Adjacent product expansion.* We aim to expand our platforms to address new areas of verification and measurement needs for our clients.

For example, with the introduction of our pre-bid contextual capability in 2020, we not only enhanced our core verification offering, but we were also able to expand into contextual targeting addressing new needs and providing new value to our customers. Similarly, in 2019, our connected TV solution expanded our presence into this important and emerging digital channel.

### ***Increase Sales Within Our Existing Customer Base***

We aim to increase the use of our products among existing customers across more campaigns and impressions. Given our comprehensive product portfolio, we believe we can cross-sell additional or new solutions to provide end-to-end coverage to more clients from pre-bid viewability to post-buy verification, fraud prevention, safety, suitability, and targeting.

### ***Acquire New Customers and Increase Market Share***

Our ability to acquire new customers and increase our market share is dependent upon a number of factors, including the effectiveness of our solutions, marketing and sales to drive new business prospects and execution, client digital marketing investment adoption, new products and feature offerings, global reach and the growth of the market for digital ad verification. There is a market opportunity to provide advertisers directly or through advertising agencies with verification services, specifically around ad viewability, ad fraud prevention and brand safety and suitability. Based on a March 2021 analysis by Frost & Sullivan, we estimate the global market opportunity for our ad verification solutions to be \$9.5 billion and expect it to grow at a 16.2% CAGR from 2021 to 2025. We plan to work with the top 500 global advertisers by targeting high-spend verticals and brands with a natural sensitivity for brand safety, brand suitability, and ROAS needs. We believe we will increase our market share by strengthening our work with the leading social platforms, enhancing our programmatic solutions, deriving benefit from our broad global position, and leveraging our differentiated data science and market-leading contextual capabilities.

### ***Expand Customer Base Internationally***

Our ability to expand our customer base internationally is dependent upon a number of factors, including effectively implementing our business processes and go-to-market strategy, our ability to adapt to market or cultural differences, the general competitive landscape, our ability to invest in our sales and marketing channels, the maturity and growth trajectory of our services by region and our brand awareness and perception. Global marketers are becoming increasingly cognizant of the value of sophisticated verification strategies and, as such, we believe there is growing demand for our services internationally. Our investments in international markets resulted in an 18% growth in revenue year-over-year. We believe that Latin America and the APAC region may represent substantial growth opportunities, and we are investing in developing our business in those markets by way of expanded in-market customer service investment and by leveraging our global relationships. We aim to continue to grow outside the U.S. in Europe and other established markets such as Australia and Japan, and view ourselves as best positioned to continue penetrating these markets given our market-leading global footprint.

### ***Seasonality***

We experience fluctuations in revenue that coincide with seasonal fluctuations in the digital ad spending of our customers. The global advertising industry experiences seasonal trends that affect the vast majority of participants in the digital advertising ecosystem. Most notably, advertisers have historically spent relatively more in the fourth quarter of the calendar year to coincide with the holiday shopping season, and relatively less in the first quarter. We expect seasonality trends to continue, and our ability to manage our resources in anticipation of these trends will affect our operating results. Consequently, the fourth quarter usually reflects the highest level of measurement activity and the first quarter reflects the lowest level of activity. Our revenue, cash flow, operating results and other key operating and performance metrics may vary from quarter to quarter due to the seasonal nature of our clients' spending on advertising campaigns. While our revenue is highly re-occurring, seasonal fluctuations in ad spend may impact quarter-over-quarter results. We believe that the year-over-year comparison of results more appropriately reflects the overall performance of the business. See "Risk Factors—Certain of our operating results and financial metrics may be difficult to predict as a result of seasonality."

### **Key Business Metrics**

In addition to our GAAP financial information, we review a number of operating and financial metrics, including the following key metrics, to evaluate our business, measure our performance, identify trends affecting

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our business, formulate business plans and make strategic decisions. The key business metrics are presented based on our advertising customers, as revenue from these customers represents substantially all the revenue.

The following table sets forth our key performance indicators for the periods set forth below:

	Year Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
Net revenue retention of advertising customers (%) (as of the end of the period)	112%	108%	132%	110%
Total advertising customers (as of the end of the period)	1,813	1,873	1,874	1,924
Total number of large advertising customers (as of the end of the period)	162	160	162	172

### ***Net revenue retention of advertising customers***

We define net revenue retention of advertising customers as a metric to reflect the expansion or contraction of our advertising customers' revenue by measuring the period-over-period change in revenues from customers who were also advertising customers in the prior period. As such, this metric includes the impact of any churned, or lost, advertising customers from the prior period as well as any increases or decreases in their spend, including the positive revenue impacts of selling new services to an existing advertising customer. The numerator and denominator includes revenue from all advertising customers that we served and from which we recognized revenue in the earlier of the two periods being compared. For purposes of discussing our key business metrics, we define an advertising customer as any advertiser account that spends at least \$3,000 in the trailing twelve months. We calculate our net revenue retention of advertising customers as follows:

**Numerator:** The total revenue earned during the current period from the cohort of advertising customers in the prior period.

**Denominator:** The total revenue earned during the immediately preceding period from such cohort of advertising customers in such period.

The quotient obtained from this calculation is our net revenue retention rate of advertising customers. We have generated strong historical net revenue retention rates of advertising customers, with 112% for the year ended December 31, 2019 and 108% for the year ended December 31, 2020.

Our calculation of net revenue retention of advertising customers may differ from similarly titled metrics presented by other companies.

Our net revenue retention of advertising customers declined from 112% for the year ended December 31, 2019 to 108% for the year ended December 31, 2020, and declined from 132% for the three months ended March 31, 2020 to 110% for the three months ended March 31, 2021. The decline in the net revenue retention of advertising customers for the year ended December 31, 2019 compared to the year ended December 31, 2020 was primarily due to the reduced spend caused by the COVID-19 pandemic. Since the COVID-19 pandemic effects began late in the first quarter of 2020, the results for the first quarter of 2020 remained largely unaffected and revenue increased by 20% for the three months ended March 31, 2020 compared to the three months ended March 31, 2019. The economic impact of the COVID-19 pandemic began in the second quarter of 2020 and impacted the remainder of the year ended December 31, 2020. As a result, the net revenue retention for the three months ended March 31, 2020, was significantly higher than the net revenue retention for the year ended December 31, 2020.

### ***Total advertising customers***

We view the number of advertising customers as a key indicator of our scale and growth and the adoption of our platform. We determine our number of advertising customers by counting the total number of advertiser

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accounts who have spent at least \$3,000 in the trailing twelve months. The total number of advertising customers has limitations as an operating metric as it does not reflect the product mix chosen by our advertising customers, the order frequency, or the purchasing behavior of our advertising customers. Because of these and other limitations, we consider, and you should consider, advertising customers in conjunction with our other metrics, including net revenue retention, net loss, Adjusted EBITDA, and average revenue per advertising customer.

### ***Total number of large advertising customers***

Historically our revenue has been driven primarily by a subset of large advertising customers who have leveraged our platform substantially from a usage standpoint. Increasing awareness of our solutions, further developing our sales and marketing expertise and partner ecosystem, and continuing to build solutions that address the unique identity needs of the top 500 global advertisers have increased our number of large advertising customers. We determine our number of large advertising customers by counting the total number of advertising accounts who have spent at least \$200,000 per year. We believe the recruitment and cultivation of large advertising customers is critical to our long-term success. Our total number of large advertising customers declined from 162 as of December 31, 2019 to 160 as of December 31, 2020, primarily due to the reduced spend caused by the COVID-19 pandemic. We do not expect this reduction to be indicative of a long-term trend and expect our large advertising customers to increase in the long term as macroeconomic conditions improve. In contrast, our total number of large advertising customers increased from 162 as of March 31, 2020 to 172 as of March 31, 2021.

## **Components of Results of Operations**

### ***Revenue***

We derive revenue primarily from advertisers and programmatic services offered through a demand side platform to our customers across the digital advertising platform, which is our performance obligation. Fees associated with our contracts include impression-based fees driven by impression volume and CPM.

We deliver our products and solutions to serve two customer types (i) buy-side (advertisers and agencies) and (ii) sell-side (publishers, advertising/audience networks, and supply side platforms). We generally generate revenue by charging a CPM based on the volume of purchased digital ads that we measure and optimize on behalf of these customers. There are no separate fees to access our platform. Depending on our customer needs, our contracts have (i) usage-based pricing, or (ii) monthly, quarterly or annual minimum commitments, or (iii) fixed fees. Usage based pricing is our primary contracting model. For these minimum commitment contracts, if a customer uses fewer impressions than the minimum, there are no discounts or prorating to adjust the minimum fees, and if a customer uses more impressions than the minimum, then an overage fee is applied on such usage.

We recognize revenue when control of the promised services is transferred to customers. Revenue from the cloud-based technology platform is primarily recognized based on impressions delivered to customers. An “impression” is delivered when an advertisement appears on pages viewed by users. A significant majority (i.e., over 90%) of the Company’s contracts are usage-based contracts with no substantive minimum commitments. We have certain contracts for which pricing is variable through tiered pricing arrangements or include annual base fees that do not coincide with the calendar year, requiring an estimate of the transaction price attributable to each year. The majority of our contracts have a duration of one year or less.

### ***Operating Expenses***

*Cost of revenue.* Cost of revenue consists of data center costs, hosting fees, revenue share with our DSP partners and personnel costs. Personnel costs include salaries, bonuses, equity-based compensation, and employee benefit costs, primarily attributable to our customer operations group. Our customer operations group is responsible for onboarding, integration of new clients and providing support for existing customers, including technical support for our technology platform and product offering. We allocate overhead such as rent and occupancy and information technology infrastructure charges based on headcount.



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*Sales and marketing.* Sales and marketing expense consists primarily of personnel costs, including salaries, bonuses, equity-based compensation, employee benefits costs and commission costs, for our sales and marketing personnel. Sales and marketing expense also includes costs for advertising, promotional and other marketing activities. We allocate overhead such as rent and occupancy and information technology infrastructure charges based on headcount. Sales commissions are expensed as incurred.

*Technology and development.* Technology and development expense consists primarily of personnel costs of our engineering, product, and data sciences activities. Personnel costs including salaries, bonuses, equity-based compensation and employee benefits costs, third-party consultant costs associated with the ongoing development and maintenance of our technology platform and product offering. We allocate overhead such as rent and occupancy and information technology infrastructure charges based on headcount. Technology and development costs are expensed as incurred, except to the extent that such costs are associated with software development that qualifies for capitalization, which are then recorded as capitalized software development costs included in internal use software, net on our consolidated balance sheet.

*General and administrative.* General and administrative expense consist of personnel costs, including salaries, bonuses, equity-based compensation, and employee benefits costs for our executive, finance, legal, human resources, information technology, and other administrative employees. General and administrative expenses also include outside consulting, legal and accounting services, allocated facilities costs, and travel and entertainment primarily related to intra-office travel and conferences.

*Depreciation and amortization.* Depreciation and amortization expense consists primarily of depreciation and amortization expenses related to customer relationships, developed technologies, trademarks, favorable leases, equipment, leasehold improvements and other tangible and intangible assets. We depreciate and amortize our assets in accordance with our accounting policies. Maintenance and repairs, which do not extend the useful life of the respective assets, are charged to expense as incurred. Intangible assets are amortized on a straight-line basis over their estimated useful lives or using an accelerated method. Useful lives of intangible assets range from four years to fifteen years.

### ***Interest expense, net***

*Interest expense, net.* Interest expense consists primarily of interest payments on our outstanding borrowings under our Term Loan Facility and amortization of related debt issuance costs net of interest income.

### ***Benefit from income taxes***

*Benefit from income taxes.* The benefit from income taxes resulted primarily from deferred tax benefits resulting from the current period losses in the U.S.

## **Results of Operations**

The following table sets forth our consolidated statement of operations for the periods indicated:

<i>(in thousands except percentages)</i>	<b>Years Ended December 31,</b>		<b>Three Months Ended March 31,</b>	
	<b>2019</b>	<b>2020</b>	<b>2020</b>	<b>2021</b>
Revenue	\$ 213,486	\$ 240,633	\$ 54,042	\$ 66,952
Cost of revenue (excluding depreciation and amortization below)	33,107	40,506	9,155	11,420
Sales and marketing	71,300	66,022	18,370	16,545
Technology and development	40,403	48,991	12,336	12,769
General and administrative	32,135	33,286	7,640	8,547
Depreciation and amortization	70,327	65,708	16,338	14,395
Total operating expenses	247,272	254,513	63,839	63,676

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<i>(in thousands except percentages)</i>	Years Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
	Operating (loss) income	(33,786)	(13,880)	(9,797)
Interest expense, net	(32,994)	(31,570)	(8,258)	(6,960)
Net loss before benefit from income taxes	(66,780)	(45,450)	(18,055)	(3,684)
Benefit from for income tax	15,432	13,076	3,611	912
Net loss	<u>\$(51,348)</u>	<u>\$(32,374)</u>	<u>\$(14,444)</u>	<u>\$(2,772)</u>
Net loss margin	(24)%	(13)%	(27)%	(4)%

The following table sets forth our consolidated statements of operations data expressed as a percentage of total revenue for the periods indicated:

	Years Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
	Revenue	100%	100%	100%
Cost of revenue (excluding depreciation and amortization shown below)	16	17	17	17
Sales and marketing	33	27	34	25
Technology and development	19	20	23	18
General and administrative	15	14	14	13
Depreciation and amortization	33	27	30	22
Total operating expenses	116	106	118	95
Operating (loss) income	(16)	(6)	(18)	5
Interest expense, net	(15)	(13)	(15)	(10)
Net loss before benefit from income taxes	(31)	(18)	(33)	(5)
Benefit from income tax	7	5	6	1
Net loss	<u>(24)%</u>	<u>(13)%</u>	<u>(27)%</u>	<u>(4)%</u>

### Comparison of the Three Months Ended March 31, 2020 and 2021

<i>(in thousands)</i>	March 31,			
	2020	2021	\$ change	% change
	Revenue	\$ 54,042	\$ 66,952	\$ 12,910
Operating expenses:				
Cost of revenue (excluding depreciation and amortization shown below)	9,155	11,420	2,265	25%
Sales and marketing	18,370	16,545	(1,825)	(10)%
Technology and development	12,336	12,769	433	4%
General and administrative	7,640	8,547	907	12%
Depreciation and amortization	16,338	14,395	(1,943)	(12)%
Total operating expenses	63,839	63,676	(163)	(0)%
Operating (loss) income	(9,797)	3,276	13,073	(133)%
Interest expense, net	(8,258)	(6,960)	1,298	(16)%
Net loss before benefit from income taxes	(18,055)	(3,684)	14,371	(80)%
Benefit from income taxes	3,611	912	(2,699)	(75)%
Net loss	<u>\$ (14,444)</u>	<u>\$ (2,772)</u>	<u>\$ 11,672</u>	<u>(81)%</u>

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### **Revenue**

Total revenue increased by \$12.9 million, or 24%, for the three months ended March 31, 2021 compared to the three months ended March 31, 2020.

	Three Months Ended March 31,			
	2020	2021	\$ Change	% Change
Advertiser direct revenue	\$28,297	\$32,598	\$ 4,301	15%
Programmatic revenue	18,547	26,574	8,027	43%
Supply side revenue	7,198	7,780	582	8%
	<u>\$54,042</u>	<u>\$66,952</u>	<u>\$12,910</u>	<u>24%</u>

Total revenue increased primarily due to a significant increase in our programmatic revenue of \$8.0 million, or 43%, attributable to growth in volume of impressions of 22% and an increase of 16% in average CPMs. The increase in average CPMs, was attributable to the launch of our Context Control solution in early 2020. Revenue from our advertiser direct customers increased \$4.3 million, or 15%, reflecting volume growth in volume of impressions of 31% as well as the acquisition of a number of new large customers, which increased from 162 for the three months ended March 31, 2020 to 172 for the three months ended March 31, 2021. These increases were partially offset by a decrease of 11% in average CPMs due to changes in mix from open web towards social platforms. Similarly, our revenue from supply-side customers increased due to the acquisition of new customers. During the three months ended March 31, 2020, revenue was adversely affected as volumes declined as a result of COVID-19.

### **Operating expenses**

*Cost of Revenue.* Cost of revenue increased by \$2.3 million, or 25%, for the three months ended March 31, 2021 compared to the three months ended March 31, 2020. This increase was driven by a \$1.2 million increase in data center and hosting fees resulting from overall revenue growth and an increase of \$2.4 million in revenue share to our DSP partners on account of our growth in programmatic revenue. These increases were partially offset by a decrease in compensation expense of \$1.1 million and a decrease of allocated overhead expense of \$0.3 million as a result of workforce reductions in 2020.

*Sales and marketing* Sales and marketing expenses decreased by \$1.8 million, or 10%, for the three months ended March 31, 2021 compared to the three months ended March 31, 2020. This decrease was primarily due to a reduction in travel-related expenses of \$0.6 million reflecting travel restrictions resulting from COVID-19 and a decrease of \$1.1 million in personnel costs. While reduction in expenses such as travel were directly related to the COVID-19 pandemic, it is unclear if such expenses will return to pre-COVID-19 levels given the continued uncertainty around travel restrictions and office openings.

*Technology and development.* Technology and development expenses increased by \$0.4 million, or 4%, for the three months ended March 31, 2021 compared to the three months ended March 31, 2020. This increase was a result of an increase in server, hosting and license fees of \$0.3 million to support our expanding business and an increase in professional fees of \$0.5 million. These increases were partially offset by a decrease in contractor expenses of \$0.3 million.

*General and administrative.* General and administrative expenses increased by \$0.9 million, or 12%, for the three months ended March 31, 2021 compared to the three months ended March 31, 2020. This increase was driven by an increase in compensation expenses of \$0.8 million and an increase in professional fees related to the initial public offering (“IPO”) of \$0.8 million. These increases were partially offset by a \$0.7 million decrease in reserves for bad debts and a \$0.5 million decrease in facilities expenses related to the COVID-19 pandemic.

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**Depreciation and amortization.** Depreciation and amortization expenses decreased by \$1.9 million, or 12%, for the three months ended March 31, 2021 compared to the three months ended March 31, 2020. This decrease results from decreased depreciation of our property and equipment of \$0.3 million and decreased amortization of our intangible assets of \$2.4 million, resulting from the use of the accelerated method to amortize the asset. These decreases were partially offset by increased amortization expense related to our internal-use software of \$0.7 million.

### **Interest expense, net**

**Interest expense, net.** Interest expense decreased by \$1.3 million, or 16%, for the three months ended March 31, 2021 compared to the three months ended March 31, 2020, primarily attributable to reduced PIK interest expense on the Term Loan of \$0.7 million. Additionally, interest on the Term Loan decreased by \$0.6 million due to a reduction in interest rates caused by the COVID-19 pandemic.

### **Benefit from (provision for) income taxes**

**Benefit from (provision for) income taxes.** Benefit from income taxes decreased by \$2.7 million, or 75%, for the three months ended March 31, 2021 compared to the three months ended March 31, 2020, on account of an 80% decrease in pre-tax losses which resulted in a lower income tax benefit for the period.

## **Comparison of the Years Ended December 31, 2019 and 2020**

<i>(in thousands)</i>	<b>Year Ended December 31,</b>			
	<b>2019</b>	<b>2020</b>	<b>\$ change</b>	<b>% change</b>
Revenue	\$ 213,486	\$240,633	\$27,147	13%
Operating expenses:				
Cost of revenue (excluding depreciation and amortization shown below)	33,107	40,506	7,399	22%
Sales and marketing	71,300	66,022	(5,278)	(7)%
Technology and development	40,403	48,991	8,588	21%
General and administrative	32,135	33,286	1,151	4%
Depreciation and amortization	70,327	65,708	(4,619)	(7)%
Total operating expenses	<u>247,272</u>	<u>254,513</u>	<u>7,241</u>	<u>3%</u>
Operating loss	(33,786)	(13,880)	19,906	(59)%
Interest expense, net	(32,994)	(31,570)	1,424	(4)%
Net loss before benefit from income taxes	(66,780)	(45,450)	21,330	(32)%
Benefit from income taxes	15,432	13,076	(2,356)	(15)%
Net loss	<u>\$ (51,348)</u>	<u>\$ (32,374)</u>	<u>\$18,974</u>	<u>(37)%</u>

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### **Revenue**

Total revenue increased by \$27.1 million, or 13%, for the year ended December 31, 2020 compared to the year ended December 31, 2019.

Revenue attributable to our advertising, programmatic and supply side customers are set forth in the table below.

(in thousands)	Year Ended December 31,			
	2019	2020	\$ Change	% Change
Advertiser direct revenue	\$ 116,296	\$ 124,491	\$ 8,195	7%
Programmatic revenue	68,210	87,086	18,876	28
Supply side revenue	28,980	29,056	76	0
Total	<u>\$213,486</u>	<u>\$240,633</u>	<u>\$27,147</u>	<u>13%</u>

Total revenue increased primarily due to an increase in our programmatic revenue of \$18.9 million attributable to growth in volume of impressions of 8% and an increase of 18% in average CPMs. Of the 18% increase in average CPMs, half or 9% of that growth was attributable to the launch of our Context Control solution launched in early 2020. Revenue from our advertiser direct customers increased by \$8.2 million attributable to growth in volume of impressions of 13% partially offset by a decrease of 5% in average CPMs due to changes in mix from open web towards social platforms. Our supply side revenue remained flat year-over-year.

### **Operating expenses**

*Cost of revenue.* Cost of revenue increased by \$7.4 million, or 22%, for the year ended December 31, 2020 compared to the year ended December 31, 2019. The increase was primarily due to a \$6.9 million increase in data center and hosting fees resulting from the growth of our business, an increase of \$4.1 million in revenue share to our DSP partners on account of significant growth in our programmatic revenue and an increase of \$0.4 million in severance related costs. These increases were partially offset by a decrease of \$1.8 million in personnel related costs because of workforce reductions in 2020, a decrease of \$0.7 million in allocated overhead and a decrease of \$1.0 million in software license costs resulting from replacing third party vendors with in-house technologies.

*Sales and marketing.* Sales and marketing expenses decreased by \$5.3 million, or 7%, for the year ended December 31, 2020 compared to the year ended December 31, 2019. The decrease was primarily due to a reduction in travel-related expenses of \$2.9 million reflecting travel restrictions resulting from COVID-19, a decrease of \$1.3 million in advertising and promotional expenses, a decrease of \$1.1 million in personnel costs and a decrease of \$0.9 million in allocated overhead. These decreases were partially offset by an increase in severance charges of \$1.0 million. While reduction in expenses such as travel were directly related to the Covid-19 pandemic, it is unclear if such expenses would be reinstated to pre-Covid-19 levels given the continued uncertainty around travel restrictions and office openings.

*Technology and development.* Technology and development expenses increased by \$8.6 million, or 21%, for the year ended December 31, 2020 compared to the year ended December 31, 2019. The increase was impacted primarily by additional personnel costs of \$1.8 million due to increased headcount, an increase in server, hosting and license fees of \$2.6 million to support our expanding business and an increase in professional fees of \$3.1 million related primarily to migrating from data centers to our hosting platform. In addition, we also incurred \$0.6 million in severance costs related to actions taken during the COVID-19 pandemic to reduce costs.

*General and administrative.* General and administrative expenses increased by \$1.2 million, or 4%, for the year ended December 31, 2020 compared to the year ended December 31, 2019. The increase was primarily due to an increase in personnel costs of \$1.6 million due to increased headcount and increase in accounting and tax compliance fees of \$1.4 million. These increases were partially offset by a decrease in professional fees of \$0.9 million and a decrease in the allowance for doubtful accounts of \$1.6 million due to improved collection efforts.

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*Depreciation and amortization.* Depreciation and amortization expenses decreased by \$4.6 million, or 7%, for the year ended December 31, 2020 compared to the year ended December 31, 2019. This decrease was a result of a decreased amortization of our Developed Technology by \$8.1 million resulting from the use of the accelerated method to amortize the asset. The decrease was partially offset by increased amortization expense related to our internal-use software of \$4.8 million.

### ***Interest expense, net***

*Interest expense, net.* Interest expense decreased by \$1.4 million, or 4%, for the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily on account of lower interest expense related to our Term Loan Facility of \$2.0 million, which was partially offset by reduced interest income of \$0.4 million and increase in PIK and other fees of \$0.3 million.

### ***Benefit from income taxes***

*Benefit from income taxes.* Benefit from income taxes decreased by \$2.4 million, or 15%, for the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily on account of a decrease in losses. We recognized a higher deferred tax benefit for the year ended December 31, 2020 of \$4.6 million primarily on account of a decrease in the state and local income tax rate.

### Quarterly Results of Operations and Other Data

The following tables set forth selected unaudited consolidated quarterly statements of operations data for each of the nine fiscal quarters ended March 31, 2021, as well as the percentage of revenue that each line item represents for each quarter. The information for each of these quarters has been prepared on the same basis as the audited annual consolidated financial statements included elsewhere in this prospectus and, in the opinion of management, includes all adjustments, which consist only of normal recurring adjustments, necessary for the fair statement of the results of operations for these periods. This data should be read in conjunction with our consolidated and condensed consolidated financial statements and related notes included elsewhere in this prospectus. These quarterly results are not necessarily indicative of our results of operations to be expected for any future period.

<i>(in thousands except percentages)</i>	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021
Revenues	\$ 45,139	\$ 52,182	\$ 52,206	\$ 63,959	\$ 54,042	\$ 48,320	\$ 59,964	\$ 78,307	\$ 66,952
Operating expenses	59,064	61,065	60,724	66,419	63,839	62,595	58,103	69,976	63,676
Operating (loss) income	(13,925)	(8,883)	(8,518)	(2,460)	(9,797)	(14,275)	1,861	8,331	3,276
Interest expense, net	(7,945)	(8,466)	(8,400)	(8,183)	(8,258)	(7,695)	(7,795)	(7,822)	(6,960)
Net (loss) income before benefit from (provision for) income taxes	(21,870)	(17,349)	(16,918)	(10,643)	(18,055)	(21,970)	(5,934)	509	(3,684)
Benefit from (provision for) income taxes	6,746	4,340	6,160	(1,814)	3,611	5,519	1,486	2,460	912
Net (loss) income	\$ (15,124)	\$ (13,009)	\$ (10,758)	\$ (12,457)	\$ (14,444)	\$ (16,451)	\$ (4,448)	\$ 2,969	\$ (2,772)

	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021
Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total operating expenses	131	117	116	104	118	130	97	89	95
Operating (loss) income	(31)	(17)	(16)	(4)	(18)	(30)	3	11	5
Interest expense, net	(18)	(16)	(16)	(13)	(15)	(16)	(13)	(10)	(10)
Net (loss) income before benefit from (provision for) income taxes	(49)	(33)	(32)	(17)	(33)	(46)	(10)	1	(5)
Benefit from (provision for) income tax	15	8	11	(3)	6	12	3	3	1
Net (loss) income	(34)%	(25)%	(21)%	(20)%	(27)%	(34)%	(7)%	4%	(4)%

#### Quarterly Revenue Trends

Our quarterly revenue increased in each of the periods presented, except for the three months ended June 30, 2020, when compared to the results of the same quarter in the prior year due primarily to increases in the number of new customers as well as retention within existing customers and sales of new products year-over-year. During the quarter ended June 30, 2020, we experienced a decline in revenue on account of the impact of COVID-19. We typically experience seasonality in terms of when we receive orders from our customers. We generally receive a greater number of orders from new customers, as well as renewal or upsell orders from existing customers, in our fourth quarter.

### ***Quarterly Operating Expense Trends***

Our operating expenses have generally increased due to our growth and are primarily related to increases in personnel-related costs and related overhead in order to support our expanding operations and our continued investments in our solutions and service capabilities. However, revenue has historically grown faster than operating expenses and, as a percentage of revenue, our operating expenses decreased, except for the three months ended June 30, 2020, when compared to the results of the same quarter in the prior year. During the quarter ended June 30, 2020, our operating expenses as a percentage of revenue increased on account of lower revenue adversely being affected by COVID-19.

### **Liquidity and Capital Resources**

#### ***General***

As of December 31, 2020 and March 31, 2021, our principal sources of liquidity were cash and cash equivalents totaling \$51.7 million and \$50.8 million, respectively, which was held for working capital purposes, as well as the available balance of our Revolving Credit Facility, described further below. Following the completion of this offering, we expect that our operating cash flows, in addition to our cash and cash equivalents, will enable us to continue to make such investments in the future. We expect our operating cash flows to further improve as we increase our operational efficiency and experience economies of scale.

We have financed our operations primarily through debt financing. We believe our existing cash and cash equivalents, our Revolving Credit Facility and cash provided by operations will be sufficient to meet our working capital and capital expenditure needs for at least the next twelve months. Our future capital requirements will depend on many factors including our growth rate, the timing and extent of spending to support development efforts, the expansion of sales and marketing activities, the introduction of new and enhanced products and services offerings, the continuing market acceptance of our products. In the future, we may enter into arrangements to acquire or invest in complementary businesses, services and technologies, including intellectual property rights.

We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies, it could reduce our ability to compete successfully and harm our results of operations.

Some of our customers pay in advance for subscriptions, a portion of which is recorded as deferred revenue. Deferred revenue consists of the unearned portion of billed fees for our subscriptions, which is later recognized as revenue in accordance with our revenue recognition policy. As of December 31, 2020 and March 31, 2021, we had deferred revenue of \$1.1 million and \$1.1 million, respectively, all of which was recorded as a current liability and is expected to be recorded as revenue in the next twelve months, provided all other revenue recognition criteria have been met.

#### ***Credit Facilities***

On July 19, 2018, we entered into a Credit Agreement with a syndicate of lenders, comprised of the \$325.0 million Term Loan Facility and the \$25.0 million Revolving Credit Facility, with a maturity date of July 19, 2024 and a maturity date of July 19, 2023, respectively. Pursuant to the Incremental Facility Assumption Agreement No. 1, dated as of November 19, 2019 (the "Credit Agreement Amendment"), the Term Loan Facility was increased to \$345.0 million. As of December 31, 2020 and March 31, 2021, we had \$345.0 million outstanding under our Term Loan Facility.

In addition to the cash pay interest described below, the Credit Agreement includes Paid in Kind ("PIK") interest which bears an interest rate of 1.25% per annum. All PIK interest due is paid by capitalizing such interest and adding such applicable PIK interest to the principal amount of the outstanding Term Loan Facility. Total capitalized PIK interest at December 31, 2020 and March 31, 2021 was \$10.5 million and \$10.9 million, respectively. Borrowings under the Credit Agreement bear interest (cash pay) at a rate per annum, at our option,



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equal to an applicable margin, plus, (a) for alternate base rate borrowings, the highest of (i) the rate last quoted by The Wall Street Journal as the “prime rate” in the United States, (ii) the Federal Funds Rate in effect on such day plus 1/2 of 1.00% and (iii) the Adjusted LIBOR for a one month interest period on such day plus 1.00% and (b) for eurodollar borrowings, the Adjusted LIBOR determined by the greater of (i) the LIBOR for the relevant interest period divided by 1 minus the statutory reserves (if any) and (ii) 1.00%. As of March 31, 2021, and subject to maintaining a total leverage ratio less than 6.50 to 1.00, additional PIK interest will not accrue pursuant to the Credit Agreement.

The applicable margin for borrowings under the Credit Agreement is (a) for alternate base rate borrowings, (i) 5.00% so long as the total leverage ratio is greater than 6.50 to 1.00, (ii) 4.50% so long as the total leverage ratio is less than or equal to 6.50 to 1.00 and greater than 5.75 to 1.00 or (iii) 4.00% so long as the total leverage ratio is less or equal to 5.75 to 1.00 and (b) for eurodollar borrowings, (i) 6.00% so long as the total leverage ratio is greater than 6.50 to 1.00, (ii) 5.50% so long as the total leverage ratio is less than or equal to 6.50 to 1.00 and greater than 5.75 to 1.00 or (iii) 5.00% so long as the total leverage ratio is less or equal to 5.75 to 1.00. The total leverage ratio is determined in accordance with the terms of the Credit Agreement.

The interest rate on the Term Loan Facility was 7.00% per annum as of December 31, 2020 and March 31, 2021. The Term Loan Facility does not require periodic principal payments.

As of December 31, 2020 and March 31, 2021, the Company had no amounts outstanding on the Revolving Credit Facility. We are required to pay a commitment fee on the average daily undrawn portion of the Revolving Credit Facility of 0.375%-0.50% per annum (varying based on the leverage ratio tiers applicable to the applicable margin as described above), a letter of credit fronting fee of 0.125% per annum and a letter of credit participation fee equal to the applicable margin for eurodollar revolving loans on the actual daily amount of the letter of credit exposure.

The Credit Agreement contains customary representations and warranties, affirmative covenants, reporting obligations, negative covenants and events of default. See “Description of Certain Indebtedness—Senior Secured Credit Agreement.” The financial covenants underlying the Term Loan Facility require our revenue to debt ratio meet certain thresholds and certain debt-related covenants become more restrictive over successive quarters through June of 2021. Based upon current facts and circumstances, we believe existing cash coupled with the cash flows generated from operations will be sufficient to meet our cash needs and comply with covenants.

### **Cash Flows**

The table below presents a summary of our consolidated cash flows from operating, investing and financing activities for the periods indicated.

	Year Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
Net cash (used in) provided by operating activities	\$ (1,854)	\$33,937	\$ 1,409	\$ 7,697
Net cash (used in) investing activities	(25,034)	(9,662)	(4,899)	(6,377)
Net cash provided by (used in) financing activities	13,656	(1,696)	(612)	(1,338)
Net (decrease) increase in cash and cash equivalents, and restricted cash	(13,232)	22,579	(4,102)	(18)
Effect of exchange rate changes on cash and cash equivalents, and restricted cash	(60)	1,772	(654)	(846)
Cash, cash equivalents, and restricted cash, at beginning of year	43,662	30,370	30,370	54,721
Cash, cash equivalents, and restricted cash, at end of year	<u>\$ 30,370</u>	<u>\$54,721</u>	<u>\$ 25,614</u>	<u>\$53,857</u>

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### *Operating Activities*

For the three months ended March 31, 2020, net cash provided by operating activities was \$1.4 million, resulting from a net loss of \$14.4 million adjusted for non-cash expenses of depreciation and amortization of \$16.7 million, an increase in the allowance for doubtful accounts of \$0.5 million, and non-cash interest expense of \$1.1 million, offset by a reduction in working capital of \$2.4 million.

For the three months ended March 31, 2021, net cash provided by operating activities was \$7.7 million, resulting from a net loss of \$2.8 million adjusted for non-cash expenses of depreciation and amortization of \$14.7 million, and non-cash interest expense of \$0.4 million, offset by a decrease in the allowance for doubtful accounts of \$0.3 million and a decrease in working capital of \$4.4 million.

For the year ended December 31, 2019, net cash used in operating activities was \$1.9 million, resulting from a net loss of \$51.3 million partially offset by adjustments for non-cash expenses of depreciation and amortization of \$70.3 million, a deferred tax benefit of \$16.9 million, a reduction in working capital balances of \$13.6 million offset by other non-cash adjustments of \$9.7 million.

For the year ended December 31, 2020, net cash provided by operating activities was \$33.9 million, resulting from a net loss of \$32.4 million partially offset by adjustments for non-cash expenses of depreciation and amortization of \$65.7 million, a deferred tax benefit of \$15.3 million, cash provided by changes in working capital of \$7.9 million and other non-cash adjustments of \$8.0 million.

### *Investing Activities*

Cash used in investing activities was \$4.9 million for the three months ended March 31, 2020, reflecting capitalized costs related to our internal use software of \$4.8 million and purchase of property and equipment of \$0.1 million.

Cash used in investing activities was \$6.4 million for the three months ended March 31, 2021, reflecting our asset purchase of internal use software for \$4.5 million in January 2021, and \$1.7 million of capitalized costs relating to internal use software.

Cash used in investing activities was \$25.0 million during the year ended December 31, 2019, reflecting our acquisition of ADmantX S.p.A. for \$17.6 million, capitalized costs relating to internal use software of \$6.4 million and purchase of property and equipment of \$1.1 million.

Cash used in investing activities was \$9.7 million during the year ended December 31, 2020, reflecting capitalized costs relating to our internal use software of \$9.0 million and purchase of property and equipment of \$0.6 million.

### *Financing Activities*

Cash used in financing activities was \$0.6 million for the three months ended March 31, 2020, reflecting \$0.5 million in principal payments on our capital leases, and \$0.1 million for unit repurchases.

Cash used in financing activities was \$1.3 million for the three months ended March 31, 2021, reflecting \$0.1 million in principal payments on our capital leases, and \$1.2 million for unit repurchases.

Cash provided by financing activities was \$13.7 million for the year ended December 31, 2019 consisting primarily of proceeds from issuance of debt of \$20.0 million which was partially offset by payments for unit repurchases of \$3.2 million, payments on capital lease obligations of \$2.7 million and debt issuance costs of \$0.4 million.

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Cash provided by financing activities was \$1.7 million for the year ended December 31, 2020 consisting primarily of payments on capital lease obligations of \$1.5 million and unit repurchases of \$0.2 million.

### *Contractual Obligations and Commitments*

Our principal commitments consist of obligations under operating leases for office space, our purchase commitments related to hosting and data services and repayments of long-term debt. We lease office space under operating leases, which expire on various dates through May 2027 and the total noncancelable payments under these leases were \$25.2 million as of March 31, 2021. Total noncancelable purchase commitments related to hosting services as of December 31, 2020 were \$66,250 for periods through 2024. The Term Loan Facility of \$345.0 million matures in 2024.

### **Impact of Inflation**

While inflation may impact our revenues and costs of revenues, we believe the effects of inflation, if any, on our results of operations and financial condition have not been significant. However, there can be no assurance that our results of operations and financial condition will not be materially impacted by inflation in the future.

### **Indemnification Agreements**

In the ordinary course of business, we enter into agreements of varying scope and terms pursuant to which we agree to indemnify customers, including, but not limited to, losses arising out of the breach of such agreements, services to be provided by us or from intellectual property infringement claims made by third parties. In addition, in connection with the completion of this offering we intend to enter into indemnification agreements with our directors and certain officers and employees that will require us, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors, officers or employees. No demands have been made upon us to provide indemnification under such agreements and there are no claims that we are aware of that could have a material effect on our consolidated balance sheets, consolidated statements of operations and comprehensive loss, or consolidated statements of cash flows.

### **Off-Balance Sheet Arrangements**

We had no off-balance sheet arrangements as of December 31, 2020 and March 31, 2021.

### **JOBS Act**

We qualify as an “emerging growth company” pursuant to the provisions of the JOBS Act. For as long as we are an “emerging growth company,” we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies,” including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, exemptions from the requirements of holding advisory “say-on-pay” votes on executive compensation and shareholder advisory votes on golden parachute compensation.

The JOBS Act also permits an emerging growth company like us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We have elected to “opt-in” to this extended transition period for complying with new or revised accounting standards and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that comply with such new or revised accounting standards on a non-delayed basis.

## Critical Accounting Policies and Estimates

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, revenue and expenses and related disclosures of contingent assets and liabilities at the date of our financial statements. Actual results may differ from these estimates under different assumptions or conditions, impacting our reported results of operations and financial condition.

Certain accounting policies involve significant judgments and assumptions by management, which have a material impact on the carrying value of assets and liabilities and the recognition of income and expenses. Management considers these accounting policies to be critical accounting policies. The estimates and assumptions used by management are based on historical experience and other factors, which are believed to be reasonable under the circumstances. The significant accounting policies which we believe are the most critical to aid in fully understanding and evaluating our reported financial results are described below. Refer to “Note 2 — Summary of Significant Accounting Policies” to the consolidated financial statements included elsewhere in this prospectus for more detailed information regarding our critical accounting policies.

### *Revenue Recognition*

We adopted the new revenue recognition standard Accounting Standards Codification (ASC 606) effective January 1, 2019 using the modified retrospective method for all contracts not completed as of the date of adoption. The core principle of ASC 606 is to recognize revenue when control of promised goods or services is transferred to customers in an amount that reflects the consideration that is expected to be received for those goods and services. Based on the terms of our contracts with customers and consistent with prior practice, we recognize revenue upon invoicing for a large majority of our contracts. Additionally, the performance obligations identified are consistent with prior years. As such, the adoption did not have a material impact on our financial statements. Refer to Recently Issued Accounting Standards in Note 2 for additional information regarding our revenue recognition policies under the new standard and the impact on our financial position and results of operations as of and for the years ended December 31, 2019 and 2020.

We derive revenue primarily from advertisers and programmatic services offered through a demand side platform delivered to customers across the digital advertising platform, which is our performance obligation. Fees associated with our contracts include impression-based fees driven by impression volume and CPM. The solutions are designed to serve both the buy-side and the sell-side of digital ad transactions.

The adoption of ASC 606 in 2019 led us to evaluate all contracts not completed as of January 1, 2019. Part of that assessment is to calculate the cumulative effect of adopting the new revenue recognition standard. A majority of our contracts are usage based or have commitments that refresh quarterly and monthly. We have a small population of contracts for which pricing is variable through tiered pricing arrangements, or include annual base fees that do not coincide with the calendar year, requiring an estimate of the transaction price attributable to each year. We calculated the transaction price related to these contracts to determine the cumulative effect of adoption as of January 1, 2019, and recorded the adjustment, net of tax, to retained earnings and deferred revenue.

We evaluate arrangements with our customers where the customer purchases our services through a demand side platform to determine if such revenue should be reported on a gross or net basis. In these arrangements, the demand side platform collects the fee on our behalf for the purchase of advertising inventory on an exchange. We are primarily responsible for providing these services directly to the customer and have latitude in establishing the sales price with the customers. As a result, we record revenue for the gross amounts paid by the customers for these services and records the amounts retained by the demand side platforms as a cost of revenue.

### *Impairment of Goodwill, Intangible Assets and Long-Lived Assets*

We record goodwill as the excess of purchase price over the fair value of the net tangible and identifiable intangible assets acquired. We evaluate goodwill, at a minimum, on an annual basis in the fourth quarter, and whenever events or changes in circumstances suggest that the carrying amount may not be recoverable. Impairment of goodwill is tested at the reporting unit level by comparing the reporting unit's carrying amount, including goodwill, to its fair value. For purposes of this analysis, we consider the Company to be a single reporting unit. We will first perform a qualitative analysis ("Step Zero") to determine if the existence of events or circumstances would lead to a conclusion that it is more likely than not that the fair value of the reporting unit is less than the carrying value. If after this assessment it is determined that it is more likely than not that the fair value is less than the carrying value, then a quantitative goodwill impairment analysis is performed which is referred to as "Step 1". Depending upon the results of that measurement, the recorded goodwill may be written down, and impairment expense is recorded in the consolidated statements of operations when the carrying amount of the reporting unit exceeds the fair value of the reporting unit. As of the fourth quarter of 2020, we conducted a Step Zero analysis and concluded that there were no impairment indicators. Goodwill is tested annually for impairment as well as whenever events or circumstances change that would make it more likely than not that an impairment may have occurred. There is inherent subjectivity involved in estimating future cash flows, which can have a material impact on the amount of any potential impairment. Changes in estimates of future cash flows could result in a write-down of the asset in a future period.

Our intangible assets consist of developed technology, customer relationships, favorable leases, and trademarks. Intangible assets are amortized on a straight-line basis or using an accelerated method over their estimated useful lives. Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. The fair value of identifiable intangible assets is based on significant judgments and estimates made by management. Such estimates are based on valuation techniques, which require forecasting of future cash flows and developing other assumptions. These estimates and assumptions are based on historical experience and information obtained from the management of the acquired companies, and also include, but are not limited to, future expected cash flows earned from the product-related technology and discount rates applied in determining the present value of those cash flows. Unanticipated events and circumstances may occur that could affect the accuracy or validity of such assumptions, estimates or actual results.

All long-lived assets are subject to review for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is assessed based on the future cash flows expected to result from the use of the asset and its eventual disposition. If the sum of the undiscounted cash flows is less than the carrying amount of the asset, an impairment loss is recognized. Any impairment loss, if indicated, is measured as the amount by which the carrying amount of the asset exceeds its estimated fair value and is recognized as a reduction in the carrying amount of the asset.

As of March 31, 2021, there were no events or changes in circumstances to indicate that the carrying amount of the assets may not be recoverable.

### *Business Combinations*

Upon acquisition of a company, we determine if the transaction is a business combination, which is accounted for using the acquisition method of accounting. Under the acquisition method, once control is obtained of a business, the assets acquired, and liabilities assumed, including amounts attributed to noncontrolling interests, are recorded at fair value. We use our best estimate and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. One of the most significant estimates relates to the determination of the fair value of these assets and liabilities. The determination of the fair values is based on estimates and judgments made by us. We estimate fair value are based upon assumptions we believe to be reasonable, but which are inherently uncertain and unpredictable. Measurement period adjustments

are reflected at the time identified, up through the conclusion of the measurement period, which is the time at which all information for determination of the values of assets acquired and liabilities assumed is received, and is not to exceed one year from the acquisition date. We may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill.

#### *Equity-Based Compensation*

Equity-based compensation is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period, which is generally the vesting period. We estimate expected forfeitures of stock-based awards at the grant date and recognizes compensation cost only for those awards expected to vest. The forfeiture assumption is ultimately adjusted to the actual forfeiture rate. Therefore, changes in the forfeiture assumptions may affect the timing of the total amount of expense recognized over the vesting period. Estimated forfeitures are reassessed in each reporting period and may change based on new facts and circumstances.

The fair value of each option grant is estimated on the date of grant using the modified Black-Scholes pricing model and Monte Carlo simulation. We estimated its future stock price volatility based upon observed option-implied volatilities for a group of peer companies. Management believes this is the best estimate of the expected volatility over the weighted-average expected term of its option grants. The risk-free interest rate is based on the implied yield currently available on U.S. treasury issues with terms approximately equal to the expected term of the option. We currently have no history or expectation of paying cash dividends on common stock. We use the simplified method to calculate the expected term for its options.

For options that include performance conditions, we recognize the associated expense when the performance is considered to be probable. For option awards that contain market conditions (i.e., achievement of a specified equity return or stock price), we value such awards on the date of grant using a Monte Carlo simulation model.

We also expect to incur additional costs as a result of the successful completion of this offering. We have granted time-based service options under our 2018 Unit Option Plan (the "2018 Plan"). The time-based options vest over four years with 25% vesting after 12 months and an additional 6.25% vesting at the end of each successive quarter thereafter. The 2018 Plan currently includes a repurchase feature, wherein the units can be repurchased by the Company at cost upon resignation of the employee. The time-based service options in Integral Ad Science Holding LLC are expected to be adjusted in connection with this offering to reflect the Company's conversion to a C-Corp. In addition, it is expected that the repurchase feature would be removed. As a result of this adjustment, a grant date would be established which is expected to be the completion date of this offering and the Company would recognize the grant date fair value of these awards upon the price to the public in this offering. As such, the fair value of the time-based service options (which comprise of 67% of the total options outstanding) will be determined based on the price to the public in this offering. Upon the successful completion of this offering, assuming an initial public offering price of \$            per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, we would recognize approximately \$            million of compensation expense relating to the time-based service options.

Concurrent with the effectiveness of the Company's IPO, the return target options in Integral Ad Science Holding LLC are expected to be exchanged for a certain number of options, RSUs or other forms of equity instruments in Integral Ad Science Holding Corp. Vesting of the new return target options will be based on a realized cash return of Vista's equity investment. Since the vesting condition associated with the realized cash return is not expected to be met on the IPO date, there would be no additional compensation expense related to the return target options recognized upon successful completion of this offering. Similarly, since the vesting conditions associated with LTIP awards are not being modified, no compensation expense associated with the LTIP awards will be incurred at the IPO date. However, compensation expense related to the return target options and the LTIP awards will be recognized in our post-IPO financial statements when such conditions are met.

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### *Income Taxes*

We are subject to U.S. federal, state, and local income taxation on our income. We account for income taxes using an asset and liability approach, which requires estimates of taxes payable or refunds for the current period and estimates of deferred income tax assets and liabilities for the anticipated future tax consequences attributable to differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for income tax purposes. Current and deferred income tax assets and liabilities are based on provisions of the enacted income tax laws and are measured using the enacted income tax rates and laws that are expected to be in effect when the future tax events are expected to reverse. The effects of future changes in income tax laws or rates are not anticipated. The income tax provision is comprised of the current income tax expense and the change in deferred income tax assets and liabilities.

The portion of any deferred tax asset for which it is more likely than not that a tax benefit will not be realized is offset by recording a valuation allowance. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible.

The tax effects of an uncertain tax position (“UTP”) taken or expected to be taken in income tax returns are recognized only if it is “more-likely-than-not” to be sustained on examination by the taxing authorities, based on its technical merits as of the reporting date. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than a 50% likelihood of being realized upon ultimate settlement. We recognize estimated interest and penalties related to UTPs in income tax expense.

We recognize the resolution of an UTP in the period when it is effectively settled. Previously recognized tax positions are derecognized in the first period in which it is no longer more likely than not that the tax position would be sustained upon examination.

We evaluated all potential uncertain tax positions and identified no significant uncertain positions.

### *Unit Valuation*

Because our units are not publicly traded, our Board determines the fair value of our units. Their determinations are based, in part, upon valuations provided by third-party valuation firms. Our Board exercises reasonable judgment and considers numerous objective and subjective factors to determine the best estimate of the fair value of our units in accordance with the American Institute of Certified Public Accountants Practice Guide, Valuation of Privately-Held Company Equity Securities Issued as Compensation, or the AICPA Guide. The factors considered by our Board in estimating the fair value of our units include the following:

- Contemporaneous valuations performed regularly by unrelated third-party specialists;
- Our historical operating and financial performance;
- Likelihood of achieving a liquidity event, such as the consummation of an initial public offering or the sale of our company given prevailing market conditions and the nature and history of our business;
- Market multiples of comparable companies in our industry;
- Market multiples of current acquisitions in our industry;
- Stage of development;
- Industry information such as market size and growth;
- The lack of marketability of our securities because we are a private company; and
- General macroeconomic conditions.

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In valuing our units, our Board determines the value using both the income and the market approach valuation methods. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate based on our weighted average cost of capital, or WACC. To derive our WACC, a cost of equity was developed using the Capital Asset Pricing Model and comparable company betas, and a cost of debt was determined based on our estimated cost of borrowing. The costs of debt and equity were then weighted based on our actual capital structure. The market approach estimates value based on a comparison of our company to comparable public companies in a similar line of business. From the comparable companies, a representative market multiple is determined and subsequently applied to our financial results to estimate our enterprise value. Also, our market approach factors in multiples on recent acquisitions in our industry.

Application of these approaches involves the use of estimates, judgment and assumptions that are highly complex and subjective, including those regarding our future expected revenue, expenses, cash flows, discount rates, market multiples, the selection of comparable public companies and the probability of future events. Changes in any or all of these estimates and assumptions impact our valuations at each valuation date and may have a material impact on the valuation of our common stock. Following this offering, it will not be necessary to determine the fair value of our units, as our shares will be traded in the public market.

### **Recent Accounting Pronouncements**

For a description of our recently adopted accounting pronouncements and recently issued accounting standards not yet adopted, see Note 2 to our condensed consolidated financial statements: “Summary of Significant Accounting Policies—Accounting Pronouncements Not Yet Adopted” appearing elsewhere in this prospectus.

### **Quantitative and Qualitative Disclosures About Market Risk**

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of exposure due to potential changes in inflation or interest rates. We do not hold financial instruments for trading purposes.

#### *Foreign Currency Exchange Risk*

The functional currencies of our foreign subsidiaries are the respective local currencies. Most of our sales are denominated in U.S. dollars, and therefore our revenue is not currently subject to significant foreign currency risk. Our operating expenses are denominated in the currencies of the countries in which our operations are located, which are primarily in the United States, U.K., France, Germany, Italy, and Singapore. Our consolidated results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates. To date, we have not entered into any hedging arrangements with respect to foreign currency risk or other derivative financial instruments. During the three months ended March 31, 2021, a hypothetical 10% change in foreign currency exchange rates applicable to our business would not have had a material impact on our consolidated financial statements.

#### *Interest Rate Risk*

Our primary market risk exposure is changing eurodollar-based interest rates. Interest rate risk is highly sensitive due to many factors, including E.U. and U.S. monetary and tax policies, U.S. and international economic factors and other factors beyond our control. The Term Loan Facility and Revolving Credit Facility carry interest at an applicable margin, plus (a) for alternate base rate borrowings, the highest of (i) the rate last quoted by The Wall Street Journal as the “prime rate” in the United States, (ii) the Federal Funds Rate in effect on such day plus 1/2 of 1.00% and (iii) the Adjusted LIBOR for a one month interest period on such day plus



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1.00% and (b) for eurodollar borrowings, the Adjusted LIBOR determined by the greater of (i) the LIBOR for the relevant interest period divided by 1 minus the statutory reserves (if any) and (ii) 1.00%. The applicable margin is initially 5.00% per annum for alternate base offerings and 6.00% for eurodollar borrowings in the case of the Term Loan Facility and the Revolving Credit Facility. The applicable margin is initially 5.000% per annum in the case of the Incremental Facility Assumption Agreement No. 1, which was entered into November 19, 2019 to increase the aggregate principal amount of the Credit Agreement by \$20 million.

At March 31, 2021, we had total outstanding debt of \$355.9 million under our Term Loan Facility; we had no outstanding debt on our Revolving Credit Facility. Based on these amounts outstanding, a 100-basis point increase or decrease in market interest rates over a twelve-month period would result in a change to interest expense of \$3.6 million.

## BUSINESS

### Our Company

IAS is a leading digital advertising verification company by revenue. Our mission is to be the global benchmark for trust and transparency in digital media quality for the world's leading brands, publishers, and platforms.

With our cloud-based technology platform and the actionable insights it provides, we deliver independent measurement and verification of digital advertising across all devices, channels, and formats, including desktop, mobile, connected TV ("CTV"), social, display, and video. Our proprietary and Media Rating Council (the "MRC") accredited Quality Impressions™ metric is designed to verify that digital ads are served to a real person rather than a bot, viewable on-screen, and appear in a brand-safe and suitable environment in the correct geography.

Without an independent evaluation of digital advertising quality, brands and their agencies previously relied on a wide range of publishers and ad platforms to self-report and measure the effectiveness of campaigns without a global benchmark to understand success. We are an independent, trusted partner for buyers and sellers of digital advertising to increase accountability, transparency, and effectiveness in the market. We help advertisers optimize their ad spend and better measure consumer engagement with campaigns across platforms, while enabling publishers to improve their inventory yield and revenue.

As a leading ad verification partner, we have deep integrations with all the major advertising and technology platforms including Amazon, Facebook, Google, Instagram, LinkedIn, Microsoft, Pinterest, Snap, Spotify, The Trade Desk, Twitter, Verizon Media, Xandr, and YouTube. Our platform uses advanced artificial intelligence ("AI") and machine learning ("ML") technologies to process over 100 billion daily web transactions on average. With this data, we deliver real-time insights and analytics to our global customers through our easy-to-use IAS Reporting Platform helping brands, agencies, publishers, and platform partners improve media quality and campaign performance. Customers currently activate our solutions globally across 111 countries.

We serve customers globally with 11 offices in 8 countries. Our efficient go-to-market strategy has fueled our growth and ability to serve 2,062 current customers, including 1,924 advertising customers and 138 publisher customers, as of March 31, 2021. We serve 35% of the top 150 U.S. advertisers. Our net revenue retention rates of advertising customers were 112%, 108% for the years ended December 31, 2019 and December 31, 2020, and 132% and 110% for the three months ended March 31, 2020 and 2021, respectively.

The digital advertising market is expected to reach \$526 billion in global spend by 2024, growing at a compound annual growth rate of 12% from 2020 to 2024, according to eMarketer. We intend to capitalize on this opportunity and several high growth segments including programmatic, contextual, social, and connected TV. We believe that growing our global customer base represents a significant long-term opportunity, especially for markets outside of the U.S. and Western Europe.

We have an attractive financial profile with a combination of growth and profitability. For the three months ended March 31, 2020, we generated a Net Loss of \$14.4 million, which reduced to \$2.8 million for the three months ended March 31, 2021, representing a 81% reduction in net losses period-over-period. Our Net Loss margin improved from (27)% to (4)% for the three months ended March 31, 2020 compared to the three months ended March 31, 2021 as a result of our revenue growth and our ability to reduce costs and improve efficiencies. Our Adjusted EBITDA improved from \$6.7 million to \$18.8 million which represents a 181% increase period over period, and our Adjusted EBITDA margin improved from 12% to 28% for three months ended March 31, 2020 and 2021, respectively. For the year ended December 31, 2019, we generated a Net Loss of \$51.3 million, which reduced to \$32.4 million for the year ended December 31, 2020, representing a 37% reduction in net losses year-over-year. Our Net Loss margin improved from (24)% to (13)% for the year ended December 31, 2019 to the year ended December 31, 2020, as a result of our revenue growth combined with our measures to reduce

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costs and improve efficiencies. Our Adjusted EBITDA improved from \$38.8 million to \$56.4 million which represents a 45% increase year-over-year, and our Adjusted EBITDA margin improved from 18% to 23% for the years ended December 31, 2019 and 2020, respectively. For definitions of Adjusted EBITDA and Adjusted EBITDA margin, see “Selected Consolidated Financial Data—Non-GAAP Financial Measures.”

### **Our Industry**

We believe that IAS is well-positioned to benefit from several significant digital marketing trends and shifts in consumer behavior, including:

**Significant Growth in Digital Media Usage and Ad Spend** According to comScore, total time spent online in the U.S. grew 43% from June 2017 to June 2019 and, according to eMarketer, time spent consuming digital media in the U.S. increased 15% in 2020. Additionally, eMarketer estimates that the global non-search digital advertising market surpassed \$180 billion in 2020 and will grow to over \$270 billion by 2023. As consumers spend even more time online, we believe that this shift will fuel continued growth in ad spend across all digital channels.

**Increased Focus on Marketing Efficiency** Marketers are increasingly aware of wasted media spend related to ad fraud (for example, when ads are served to bots or non-human traffic instead of real people) or viewability issues (for example, when ads are served but never viewed by a person). Juniper Research estimates advertisers will lose approximately \$100 billion in annual ad spend to ad fraud in 2024, an increase from approximately \$42 billion in 2019.

**Importance of Brand Reputation** Managing brand reputation is a top priority for many modern marketers. To fulfill their brand values and campaign objectives, more brands are focused on ensuring their ad campaigns run adjacent to content that meets their specific standards. To achieve this, marketers are adopting scalable and customizable brand safety and brand suitability solutions to protect their brand reputation and increase campaign performance. According to a 2017 survey by CMO Council, 72% of marketers are concerned about brand integrity and control, with over 25% experiencing contextual incidents detrimental to brand reputation.

**Acceleration of Ad-Supported Connected TV (“CTV”)** Consumers are watching more digital video and CTV programming, spending on average 41% of their total digital video time on CTV devices. The COVID-19 pandemic accelerated what we believe will be ongoing consumer and advertiser adoption. According to eMarketer, CTV ad spend is expected to more than double from \$8.1 billion in 2020 to \$18.3 billion in 2024. With more CTV ad inventory available, we believe this will drive greater demand for verification solutions to ensure that larger ad budgets are deployed effectively and efficiently.

**Changing Regulatory Landscape and Importance of Contextual Targeting** With increased attention on user privacy and the deprecation of third-party cookies, context-based advertising has emerged as a necessary tool for brands. Updated regulations, such as the GDPR and the CCPA, have increased complexity surrounding personal data and cookie usage. Our leading Context Control solution uses semantic language technology to determine the context, sentiment, and emotion of digital content. With these sophisticated tools available, we expect more advertisers to adopt contextual targeting instead of audience data.

**Acceleration of Programmatic Advertising** Programmatic advertising, the automated buying and selling of digital ads, has grown tremendously by helping marketers to optimize performance and pricing through real-time signals. According to eMarketer, U.S. programmatic digital display ad spending is expected to grow from \$59.6 billion in 2019 to \$95.0 billion in 2022, a compound annual growth rate (“CAGR”) of 17%. Programmatic buying enables advertisers to target the highest value inventory in real-time to reach their audience, faster and more efficiently. However, programmatic advertising is heavily susceptible to fraud, viewability, and brand safety and suitability risks, given the speed and opacity of the transaction process. According to eMarketer, ad fraud ranked as the second highest concern among programmatic advertisers.

## **Our Market Opportunity**

We believe there is significant market opportunity to provide advertisers, agencies, publishers, and platforms with measurement and verification solutions that address viewability, brand safety and suitability, ad fraud prevention, contextual targeting, reporting, and inventory yield management. Based on a March 2021 analysis by Frost & Sullivan, we estimate the global market opportunity for our ad verification solutions to be \$9.5 billion and expect it to grow at a 16.2% CAGR from 2021 to 2025.

In addition, we believe we are well poised to expand into the ad measurement and effectiveness market. There are expansion opportunities beyond the existing use cases we currently serve such as providing measurement of ad effectiveness and efficiency to brands and helping them understand marketing performance. Sub-markets include audience and attribution measurement, return on advertising spend, and reach and frequency. Based on a March 2021 analysis by Frost & Sullivan, we estimate the global market opportunity of ad measurement and effectiveness solutions to be \$6.3 billion and expect it to grow at a 20.5% CAGR from 2021 to 2025.

Our statement that we are a leading digital advertising verification company is based on an independent third party market study by Frost & Sullivan we commissioned. The study shows we are a leader in global market share by revenue, including leading in international markets such as EMEA and APAC by revenues in those regions, respectively.

## **Our Strengths**

We believe that the following capabilities reflect our strengths and competitive advantages.

### ***Comprehensive suite of ad verification solutions***

IAS Quality Impressions™ is our proprietary and MRC-accredited metric that ensures digital media quality standards for advertising effectiveness. To achieve Quality Impressions™, a digital ad must be served to a real person rather than a bot, viewable on-screen, and presented in a brand-safe and suitable environment, all within the desired campaign geography. Additionally, our leading contextual capability, Context Control, helps brands avoid and target content based on their specific values or campaign objectives. Our technology is designed to determine sentiment and emotional classification of content at a global scale. For publishers, we help them increase the monetization of their advertising inventory. Our solutions are available across digital channels, ad formats, purchase methods, and devices.

IAS also offers a Quality Attention metric, which is designed to measure attention by evaluating factors such as time-in-view (“TIV”) and share of screen. With Quality Attention, advertisers can optimize campaigns and maximize attention.

### ***Integrations throughout the digital marketing ecosystem***

Operating globally, we are integrated directly with advertisers, publishers, and platforms including demand side platforms (“DSPs”) and ad networks to ensure our solutions are available regardless of where our customers decide to transact.

### ***Long-standing industry partnerships and relationships***

We are a trusted partner to some of the largest technology and advertising platforms, improving the transparency and visibility of their media spend. Our integration partners, such as Google, Facebook, and Amazon account for the majority of digital advertising budgets and directly incorporate our solutions in their platforms to provide for independent verification, measurement, optimization, and insights required by the advertiser customers we serve. We do not generate material revenue directly from our arrangements with our

integration partners. We generate revenue by charging a cost per thousand impressions (“CPM”) based on the volume of purchased digital ads that we analyze for our advertiser and publisher customers, including customers that utilize our integration partners for their ad campaigns. Our solutions help advertisers to measure consumer interactions with their brands across platforms. Additionally, we work closely with industry organizations and accreditation groups, including the Audit Bureau of Circulations (the “ABC”), the Global Alliance for Responsible Media (the “GARM”), the Interactive Advertising Bureau (the “IAB”), the Media Ratings Council (the “MRC”), and the Trustworthy Accountability Group (the “TAG”). We are accredited by the ABC for viewability. We are also accredited by the MRC for our proprietary metric, Quality Impressions™, as well as our Display and Video Total Impressions and Viewable Impression Statistics, Campaign Monitor and Firewall Verification Services, and Sophisticated Invalid Traffic Detection and Filtration. To extend and maintain our MRC accreditations, we participate in annual audits across our solutions that are conducted by an independent third-party and ensure we align with MRC standards. For 2021, IAS also completed the rigorous evaluations required to achieve recertification for TAG’s Certified Against Fraud, Certified Against Piracy, and Brand Safety Certified Programs.

### ***Market leadership and trusted brand***

Advertisers and publishers value our independent verification offerings and our extensive industry thought leadership. We deliver valuable case studies, research, and whitepapers, in addition to participating in industry conferences and hosting proprietary events. In 2020, we developed and released more than 40 thought leadership research studies globally. Our semi-annual Media Quality Reports share unique insights extracted from the trillions of data events we measure globally each month, offering an industry barometer for ad buyers and sellers to benchmark the quality of their campaigns and inventory. All of these thought leadership efforts are amplified and shared through our ongoing demand generation, content marketing, public relations, and social media to help ensure our solutions instill trust and confidence in the media buying process.

### ***Diverse, loyal, and global customer base***

We successfully serve 2,062 customers, consisting of 1,924 advertising customers and 138 publisher customers. We work with many of the largest, global marketers and media companies who want a single verification partner to serve their global needs. Since 2012, our average customer tenure for our top 100 customers has been 6.7 years. We have also grown our customer relationships over time by offering additional products. From December 31, 2017 to December 31, 2020, our average revenue per customer for our top 100 customers has grown at a CAGR of 22% and revenue attributable to our top 100 customers approximated 70% of our total revenue for each of these years. We define average revenue per top 100 customers as our total revenue from our top 100 customers by revenues in a given reporting period divided by 100.

### ***Large and growing dataset driving unique customer insights***

We collect trillions of data events per month, which provide us with a comprehensive view of digital ad transactions. Our data science capabilities harness unique, real-time insights for our customers to improve the effectiveness of their advertising campaigns. Our platform and architecture are highly scalable and capable of ingesting 100 billion web transactions per day on average with exceptional performance and reliability.

## **Our Growth Strategy**

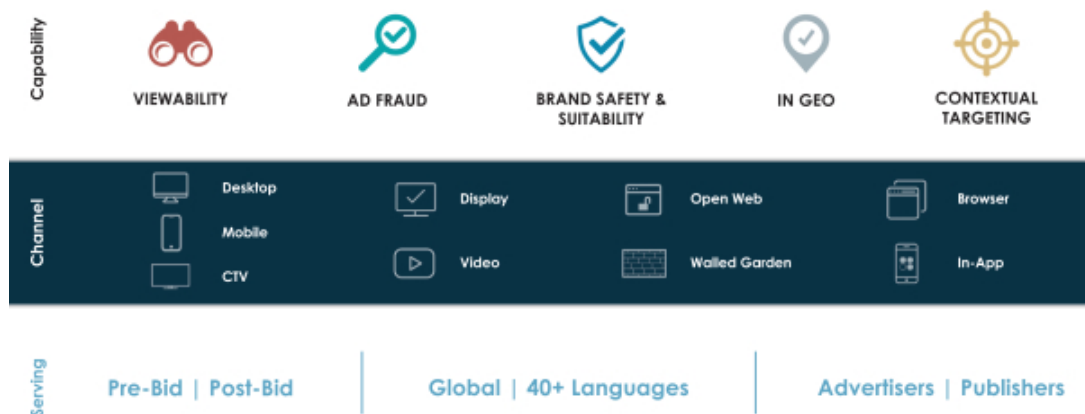
We believe this is the early stage of our growth and that we are at an inflection point in the advertising industry.

We intend to capitalize on our leading brand and competitive positioning to pursue several long-term growth strategies:

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- **Innovate and Develop New Products for Key High-Growth Segments**
  - *Programmatic.* We aim to deliver greater transparency to programmatic ad buying via innovative solutions including contextual targeting and brand safety and suitability.
  - *Social.* We aim to develop deeper integrations with social platforms, also known as Walled Gardens, including feed-based brand safety and suitability, to deliver continued transparency to our customers.
  - *Connected TV.* We plan to expand our CTV-specific verification solutions and contextual targeting capabilities to address the fast-growing connected TV segment.
  - *Adjacent Product Expansion.* We plan to expand our platforms and integrations to address new verification and measurement needs for our clients.
- **Increase Sales Within Our Existing Customer Base** We aim to increase the use of our products among existing customers across more campaigns and impressions. Given our comprehensive product portfolio, we believe we can cross-sell additional or new solutions to provide end-to-end coverage to more clients from pre-bid viewability to post-buy verification, fraud prevention, safety, suitability, and targeting.
- **Acquire New Customers and Increase Market Share** We plan to work with the top 500 global advertisers by targeting high-spend verticals and brands with a natural sensitivity for brand safety, brand suitability, and ROAS needs. We believe we will increase our market share by strengthening our work with the leading social platforms, enhancing our programmatic solutions, deriving benefit from our broad global position, and leveraging our differentiated data science and market-leading contextual capabilities.
- **Expand Customer Base Internationally** Global marketers are investing in more sophisticated verification strategies and we believe there is growing demand for our solutions internationally, especially in the Latin America and APAC regions.

## Our Solutions



Our leading digital ad verification solutions address ad fraud detection and prevention, viewability, brand safety and suitability, contextual targeting, inventory yield management, and reporting. We are integrated into the digital ad buying and selling process to verify, measure campaign quality and reach, and improve results. We support all buying formats, including direct, programmatic, programmatic guaranteed, and private marketplaces. Our solutions support over 40 languages globally and span all advertising channels, including display, video, desktop, mobile browser and in-app, connected TV (“CTV”), and social.

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Our proprietary and MRC-accredited Quality Impressions™ metric is designed to verify that digital ads are served to a real person rather than a bot, viewable on-screen, and presented in a brand-safe and suitable environment in the correct geography.

Launched in early 2020, our Context Control solution delivers contextual targeting and brand suitability capabilities. Context Control is powered by our cognitive semantic-based technology, helping advertisers achieve better contextual matching and brand suitability at scale. With over 300 contextual targeting and avoidance segments that can be customized, Context Control helps ensure ads are displayed in the best-suited environments. In an independent evaluation by The Ozone Project, our contextual technology delivered 42% more accuracy than the next competitor.

Our ad verification solutions serve buyers and sellers. For advertisers, we provide pre-bid programmatic and post-buy verification solutions. For publishers, we provide optimization and verification solutions. Our solutions can measure and verify ad fraud, brand safety, viewability, and geography for all digital ad campaigns.

*Ad Fraud:* Powered by artificial intelligence and machine learning technology, our solutions identify non-human traffic by automatically detecting new threats and uncommon patterns. We also provide malware analysis and reverse engineering to uncover threats. Our three-pillar approach to provide highly accurate ad fraud detection and prevention, includes:

- Machine learning that uses big data to detect hidden, uncommon patterns;
- Rules-based detection that uses automated rule checks to identify invalid traffic sources; and
- The IAS Threat Lab that employs malware analysis and reverse engineering to uncover emerging threats.

*Viewability:* Our solutions measure whether an ad is viewable based on MRC standards, enabling advertisers to optimize media plans. Our comprehensive viewability capabilities include:

- Offer customizable controls based on MRC standards as well as custom brand settings;
- Provide advanced metrics, including time-in-view and frequency performance benchmarks; and
- Deliver cross-channel and cross-device coverage including display and video; desktop, mobile, and connected TV; open web and internet platforms; and mobile browser and in-app.

*Brand Safety and Suitability:* We help marketers manage their brand reputation and avoid issues by ensuring ads run adjacent to content that meets their specific standards. Our solutions include customized scoring and risk thresholds, pre-bid filtering and targeting, and post-bid blocking and monitoring. These tools can be customized to an advertiser's specific risk tolerance with our granular content scoring across eight standard categories including adult, alcohol, gambling, hate speech, illegal downloads, illegal drugs, offensive language, and violence. Additionally, we offer advertisers even more flexibility and precise controls to avoid or target certain placements based on over 300 contextual categories, including:

- Topical: specific topics such as sensitive social issues or natural disasters;
- Verticalized: industry-specific coverage such as automotive, finance, and retail; and
- Brand-specific: negative sentiment associated with a specific brand name.

*Geography:* With a significant and growing number of global customers, we serve many advertisers that target their campaigns to specific geographic regions based on the localized content or language of the ad, or for compliance requirements. With customers currently activating our solutions across 111 countries, we give advertisers confidence in their geographic targeting, ensuring that ads only run in their intended regions.

*Reporting:* Our platform processes data in real-time to provide advanced analytics and reporting for our customers. Our specialized reporting provides customers with a clear view of campaign performance

including ad fraud, viewability, brand safety and suitability, and geography across all channels and formats. We produce specialized reports, offering in-depth insights and enabling our clients to take action to optimize their media spend.

### ***Advertiser solutions***

Our pre-bid and post-bid verification solutions enable advertisers to measure campaign performance and value across viewability, ad fraud prevention, brand safety and suitability, and contextual targeting for ads on desktop, mobile in-app, social, and connected TV platforms. For desktop, we also have the powerful ability to block ads in real-time and protect brands from fraud.

Our pre-bid programmatic solution is directly integrated with DSPs to help optimize return on ad spend (“ROAS”) by directing budget to the best available inventory. It operates in the bid-stream in real-time where standard and custom segments are built into the DSP to project which inventory will meet the advertisers brand safety and suitability criteria, be free from fraud, and be most viewable. We can also build in custom segments for targeting, which is increasingly important as the industry moves away from cookies and other forms of identity-based tracking. Our contextual ability is enabled through our deep integrations with all major DSPs. In addition, our targeting and pre-bid solutions extend to the social platforms. For example, in 2020, we released our YouTube Select and Channel Science targeting solution as well as Content Allow Lists on Facebook.

### ***Publisher solutions***

Our solutions help hundreds of publishers globally deliver high quality ad inventory that is fraud free, viewable, brand safe and suitable, and geographically targeted. With our Context Control solution, we help publishers classify and package their inventory to showcase quality placements, increase site engagement, drive revenue, and reduce blocking. These tools also help to verify, optimize, and provide better matches between inventory and advertisers, ensuring publishers can maximize revenue and yield potential. Leveraging our data and insights, we also help supply-side platforms (SSPs), including ad networks and exchanges, to measure and validate their inventory quality.

### **Our Platform**

Our cloud-based technology platform enables our customers to maximize return on investment by verifying their ads, ensuring they are viewed by a real and targeted audience in a brand safe and suitable environment. We provide our customers with measurement, insights, and analytics, helping them improve media quality and campaign performance. We block fraudulent and brand unsafe inventory in real-time for open web. We also enable our clients to use real-time signals through DSPs to optimize their programmatic spend toward the highest quality inventory and target or avoid content based on custom settings.

Our platform’s scalable and flexible design is central to our success, enabling us to tailor solutions for customers in a cost-effective manner, while delivering leading ad verification capabilities. Our feature-rich and customizable technology encompasses:

#### ***Viewability***

- Delivering cross-channel coverage including the leading internet platforms and cross-device capability including display and video; desktop, mobile, and connected TV; open web and internet platforms; and browser and in-app
- Providing time-in-view and frequency performance benchmarks, enabling advertisers to optimize media plans
- Offering customizable controls ranging from MRC viewability standards to custom brand standards



### ***Ad Fraud***

- Employing a three-pillar approach powered by scale and machine learning to provide highly accurate detection and prevention:
  - Machine learning that uses big data to detect hidden, uncommon patterns
  - Rules-based detection that uses automated rule checks to identify invalid traffic sources
  - The IAS Threat Lab that employs malware analysis and reverse engineering to uncover emerging threats

### ***Brand Safety & Suitability***

- Providing brand safety capabilities customizable to an advertiser's specific risk tolerance through granular content scoring across eight standard categories (i.e., adult, alcohol, gambling, hate speech, illegal downloads, illegal drugs, offensive language, and violence), enabling brands to control the context in which their ads appear
- Delivering precise controls to advertisers and the flexibility to avoid or target certain context through a multi-tier solution that offers over 300 categories:
  - Standard control: content related to hate speech, violence, offensive language, and others
  - Topical control: specific topics such as sensitive social issues, pandemics, or natural disasters
  - Verticalized control: industry-specific coverage such as automotive, finance, pharmaceutical, and retail, among others
  - Brand specific control: negative sentiment associated with a specific brand name

Our contextual technology underlies our distinct brand safety and suitability capabilities. We have leading cognitive semantic-based solutions that enable customers to match ads with relevant online content at the page level. Powered by a large knowledge graph, this semantic technology can detect sentiment and emotion. Through natural language understanding and machine cognition, our technology delivers near-human comprehension of online content, providing context at scale.

Our platform offers comprehensive, real-time signals and measurement for programmatic advertising. This capability enables advertisers to optimize their programmatic buys pre-bid. Through a DSP, advertisers can use our real-time signals integrated in the transaction stream to optimize for viewable, fraud-free, brand safe and suitable, and contextually relevant content.

Technology operates at the core of our solutions, and innovation is deeply embedded throughout our corporate culture. Across our global footprint, we maintain a presence in key technology hubs across the world, including New York, NY, Chicago, IL, and Pune, India. As of December 31, 2020, approximately 34% of our staff operate within a research and development function. We employ a global data science team to improve our competitive strength in the advertising technology market, enhance our software platforms, and deliver unique insights for our customers.

Our platform is capable of ingesting massive volumes of unstructured and structured data and leverages our data science expertise to derive unique insights for our customers. As the advertising industry continues to rapidly evolve, we will facilitate the development and integration of new features and solutions into our platform, ensuring we meet or exceed our customers' requirements. Our platform is seamlessly integrated in key areas of the advertising ecosystem, including advertisers, publishers, social platforms such as YouTube and Facebook, and demand side and programmatic platforms. We designed a feature-rich, intuitive user interface that can be accessed via self-serve or through our various partner interfaces.

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We have invested in significant data science capabilities, applying artificial intelligence and machine learning to maintain and enhance the models underlying our solutions. This enables us to better analyze data and provide customers with critical insights. The application of our investments allow us to provide our customers with many benefits, including:

- Global reach, enabling us to provide ad verification internationally, regardless of language and without compromising latency
- Flexible access, allowing our customers to use our solutions through direct and indirect channels due to our key technology integrations throughout the advertising ecosystem
- A seamless user interface that provides advertisers with important tools and analytics
- Integrations with widely deployed third-party technologies, such as Looker, a business intelligence software providing our customers with leading reporting and analytics capabilities
- The ability to deploy our solutions in emerging digital channels. For example, connected TV represents a new advertising medium and poses significant challenges for advertisers and publishers. We have already begun to address this market need with the introduction of our first connected TV solution in 2019.

### **Our Technology**

We accelerate innovation through artificial intelligence and machine learning. With increasing market demand, we believe advanced verification solutions and other performance metrics to be powered by artificial intelligence and machine learning. This shift will benefit all stakeholders in the advertising ecosystem. Brands will be able to better understand the impact of their campaigns on consumers, agencies will be able to launch more effective and cost-efficient strategies, and publishers will be able to monetize their content more efficiently and drive more revenue. Independent ad verification providers with the most data will be best positioned to win significant market share, because artificial intelligence and machine learning models make better predictions and decisions with higher volumes of data.

We have made significant, recent investments in our technology architecture to better align with our business model and client needs. We collect, analyze, and warehouse a massive amount of data. The advertising industry is seasonal, with peak demand for our solutions occurring towards the end of the calendar year, requiring technology that can scale up or down based on demand. Today, our technology can deliver leading data management capabilities and real-time reporting in a highly flexible and cost-efficient manner.

Features of our technology include:

**Scalability:** We process on average 100 billion web transactions per day through our highly scalable, cloud-based technology platform. We use Amazon Web Services (“AWS”) public cloud to manage peak volumes driven by seasonality trends in advertising. Our recent transition from legacy systems onto AWS has enabled a significantly more cost-effective operation and reduced our dependence on expensive equipment and ongoing capital investment.

**Agility:** Our flexible architecture enables us to push updates and facilitate enhancements to our platform in a timely manner. We can provision a new environment in a new geography within hours, providing a seamless process for our customers, regardless of where they need our solutions. As part of our recent technology upgrade, we migrated our data to Snowflake, which collects our data in a single data warehouse, making our analytics capabilities more efficient, effective, and highly automated to provide real-time insights to our clients. Upon receiving a client query, our platform ingests, sifts, analyzes, and outputs the data into a user-friendly analytics dashboard.

**Reliability:** Our platform’s uptime during the twelve months ending December 31, 2020 exceeded 99.9% while delivering frequent updates and enhancements. We offer our clients best-in-class response times, regional

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support, and around the clock monitoring 365 days a year. We deploy an organized system of raising tickets and mapping issues to the right customer response team and the required escalation process when necessary.

**Security:** We leverage internal security tools, AWS security, and other leading third-party technologies to maximize security. We perform penetration tests and an independent audit every quarter. Our development security operations process analyzes security at an application level by performing a security check before code can be published to production.

**Edge Computing:** To maximize our customer experience, we utilize an edge computing framework to bring IAS applications closer to our clients' data sources. We process and analyze information to allow for faster insights to improve business outcomes for our clients. Also, our edge computing architecture allows us to provision new global environments within a short period of time based on customer volumes and locations.

**Data Governance:** Our data governance solution enables enterprises to comply with a broad range of regulatory requirements, such as the GDPR and the CCPA. We have developed and affirmed policies and standards for data management and security to help protect the integrity of our data assets.

Components of our technology include:

**Data Ingestion:** We have multiple systems that process large amounts of data that include: a large web crawling infrastructure that fetches hundreds of millions of web pages per day; edge measurement servers that collect thousands of data points per transaction; dedicated integrations with social platforms for data ingestion and exchange; and additional integrations to collect data from other applications such as mobile app stores and connected TV stores.

**Data Transformation and Modeling:** Our cloud-based technology platform processes data in real-time using advanced artificial intelligence modeling techniques to improve client reporting. Our models are deployed in production, and regularly monitored and updated. They enable the predictions for brand safety and suitability, fraud, and viewability that we deliver to our customers.

**Real-Time Scoring:** Our edge computing servers package the predictions of the models and serve them in real time, allowing us to score for brand safety, fraud, and viewability across channels and formats, pre-bid and post-bid, and buy-side and sell-side.

**Data Reporting:** Our modernized data platform is capable of ingesting data in near real-time. We collect and store data in a centralized cloud-based data warehouse capable of numerous computations to provide critical data and analytics to our customers via our reporting platform as well as to our data science team for machine learning model creation.

**Data Analytics:** Our product and customer analytics produce specialized reports, offering in-depth insights enabling our clients to optimize their media spend. We offer a comprehensive framework for anomaly detection and application monitoring to ensure our products are always performing at an optimal level.

## **Our Customers**

We have an attractive customer base that is global, diversified, and loyal. We define a "customer" as any advertiser account or publisher account that spends at least \$3,000 in the trailing twelve months. As of March 31, 2021, we had 2,062 customers, including 1,924 advertising customers and 138 publisher customers. The geographic segmentation of revenue from our customers includes 61.5% in the Americas, 28.3% in Europe, Middle East, and Africa ("EMEA"), and 10.2% in Asia and Pacific ("APAC") for the three months ended March 31, 2021.

Our client base encompasses the largest digital ad spenders. In the twelve months ended December 31, 2020, we had 160 large advertising customers, defined as those who spend at least \$200,000 per year. Since

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2012, our average customer tenure for our top 100 customers has been 6.7 years. We have also grown our customer relationships over time as they adopt additional products. From December 31, 2017 to December 31, 2020, our average revenue per customer for our top 100 customers has grown at a CAGR of 22% and revenue attributable to our top 100 customers approximated 70% of our total revenue for each of these years. We have generated strong historical net revenue retention of advertising customers of 112% and 108% as of December 31, 2019 and December 31, 2020, respectively, and 132% and 110% as of March 31, 2020 and 2021, respectively. No single customer accounted for more than approximately 5% of our revenues for the year ended December 31, 2020.

Advertisers can access our solutions through a number of means, including directly through our platform or indirectly through demand-side platforms (DSPs), agencies, and social platforms. Based on recent trends, advertising customers are increasingly accessing our solutions directly, and we signed several of the largest deals in company history in the last two years. Our advertising customers are a reflection of our relevance and value across the digital advertising ecosystem.

We serve some of the largest global brands in a variety of industries including Consumer Packaged Goods (“CPG”), Finance, Technology / Telecommunications, Automotive, Retail / Quick Service Restaurants (“QSR”), and Travel & Entertainment (“T&E”). We also serve advertisers indirectly through demand side platforms including Amazon, AppNexus, Google’s Display and Video 360, The Trade Desk, Verizon Media and Xandr. Additionally, we serve advertisers through global advertising agencies such as IPG, Omnicom, Publicis Groupe, WPP, Vivendi’s Havas Group, and Dentsu.

Our customers also include some of the largest digital publishers. We work with 138 publishers including Bloomberg, Hulu, Reuters, and Turner, who trust us to improve the quality of their inventory and maximize their revenue.

### **Our Go-To-Market Strategy**

#### ***Sales and Marketing***

We employ a rigorous sales and marketing strategy, which we believe is a competitive differentiator to qualifying opportunities, forecasting pipeline, and achieving financial performance.

We have an established global sales team segmented by geography and we focus our marketing strategy on key regions including the Americas, EMEA, and APAC. We currently address the digital ad verification needs of many of the largest global brands such as Verizon, Disney, Nestlé, and Coca-Cola.

We have aligned sales and go-to-market strategies to efficiently pursue growth opportunities. As a result, we have created a global accounts team to service large opportunities, a mid-market team to efficiently target this customer segment, and a programmatic channel sales team to scale these revenues. Our client services team is responsible for developing customer relationships, promoting retention and loyalty, and improving overall customer satisfaction.

Our marketing team’s core objectives focus on building upon what we believe is leadership for IAS’s brand recognition and brand favorability within our category. These efforts include driving sales effectiveness through field marketing collateral and a sophisticated demand generation engine with impressive top-of-funnel pipeline growth. We also leverage content marketing, which we believe has established IAS as a genuine thought leader by delivering high-value research, whitepapers, case studies, along with associated press coverage, social media content, and industry and proprietary events. Our marquee Media Quality Reports (“MQRs”) share insights extracted from the trillions of data events we capture globally, so that ad buyers and sellers can benchmark the quality of their campaigns and inventory.

#### ***Customer Operations and Support***

We have developed an efficient, full-platform solutions model with a white-glove service to address the needs of large global clients and an end-to-end self-service solution for small-and-medium-sized businesses. Our

customer operations and support organization continues to leverage automation to better meet the needs of our customers and add scale. For example, in 2020, we were the first digital ad verification company to release an automated tag with Google that reduced a multi-day, labor-intensive process to an activation that can be completed in seconds.

## **Intellectual Property**

The protection of our intellectual property is important to our success and our internally developed technology provides the foundation of our proprietary solutions. We rely on intellectual property laws in the U.S. and abroad, as well as confidentiality procedures and contractual restrictions, to protect our intellectual property. We believe our products are difficult to replicate and we will continue to enhance our intellectual property portfolio as we develop new solutions and services for our customers.

As of March 31, 2021, we had 26 registered U.S. patents, 3 allowed patent applications, and 24 pending patent applications. The terms of individual patents extend for varying periods of time, depending upon the date of filing of the patent application, the date of patent issuance, and the legal term of patents in the countries in which they are obtained. Generally, patents issued for applications filed in the United States are effective for 20 years from the earliest effective filing date of a non-provisional patent application. The duration of patents outside of the United States varies in accordance with provisions of applicable local law, but typically is also 20 years from the earliest effective filing date. However, the actual protection afforded by a patent varies on a country-to-country basis and depends upon many factors, including the type of patent, the scope of its coverage, the availability of legal remedies in a particular country, and the validity and enforceability of the patent.

We also hold or have applied for registration of various service marks, trademarks, and trade names, including “Integral Ad Science,” “IAS,” “Quality Impressions,” and “Total Visibility,” that we believe are important to our business. As of March 31, 2021, we had 4 registered U.S. trademarks, 4 pending U.S. trademark applications, and 8 registered international trademarks.

## **Competition**

Our industry is highly competitive with a mix of large, established companies such as DoubleVerify and Oracle’s MOAT and Grapeshot as well as various point solution providers such as HUMAN. We believe that we primarily compete on our comprehensive coverage across channels, devices, and platforms; trusted independent position; established client relationships with many of the leading global brands; global footprint; and breadth and performance of our solutions. In addition, we believe new market competitors would find it difficult to effectively compete given our scale, coverage, breadth of solutions, and strong integration throughout the digital ad ecosystem.

The principal competitive factors in our market include:

- channel coverage;
- verification scope and capabilities;
- breadth of solution features;
- technological and data science capabilities;
- scaled data assets;
- trusted position in the marketplace;
- brand awareness and reputation;
- integrations and partnerships;
- industry accreditations and certifications;

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- global coverage;
- reliability, performance, and effectiveness;
- tenure of customer relationships;
- focus on customer success;
- strength of sales and marketing efforts; and
- price of our solutions.

We believe we compete favorably on the basis of these factors.

## **Culture**

IAS was founded in 2009, and since then we have grown to 651 employees with 11 offices in 8 countries. We recognize that attracting, motivating, and retaining passionate talent at all levels is vital to our continued success. By improving employee retention and engagement, we also improve our ability to support our customers and protect the long-term interests of our stakeholders and stockholders. We invest in our employees through high-quality benefits and various health and wellness initiatives, and offer competitive compensation packages, ensuring fairness in internal compensation practices.

We have transformed our business over the past two years by enhancing our talent. We hired leaders with deep expertise in advertising and building global businesses, adding 209 new employees between December 31, 2019 and March 31, 2021 overall. We have also grown our talent internationally with 401 employees based in the United States and 250 based outside of the United States, as of March 31, 2021. We also engage temporary employees and consultants. In certain countries in which we operate we are subject to, and comply with, local labor law requirements, which automatically make our employees subject to industry-wide collective bargaining agreements. We have not experienced any work stoppages. We have a positive relationship with employees and high levels of engagement.

Our culture is defined by a clear set of six values that guide our business, product development, and brand, while delivering tangible financial and operational benefits for our customers, employees, and shareholders:

1. **We Innovate:** We build cool stuff. Innovation is at the core of what we do. We build products, deliver solutions, and generate ideas that provide valuable functions for our customers.
2. **We Do the Right Thing:** Regardless of whether anyone is looking or not. We act with honesty, transparency, and integrity in working with each other and with our customers.
3. **We Are Accountable:** We hold ourselves and each other accountable for our conduct with teammates and our customers. We take full ownership for our deliverables.
4. **We Are Customer Obsessed:** We put the customer front and center of everything that we do. Our customers' success is our success.
5. **We Are One Team:** We value and rely on each other. We are inclusive. We show up for each other, and we act with empathy and consideration for the benefit of the team. None of us succeeds if our team doesn't succeed. So, we never say, "that's not my job."
6. **We Have a Bias for Action:** Speed matters in business. We move at high velocity and we privilege risk-taking.

We believe these values serve as a foundation for our talent efforts. We vigorously invest in recruitment and retention, especially as we continue to grow our engineering talent across global offices where we are rapidly expanding our research and development capacity. As a company born from digital, big data, and data science, it is in our DNA to innovate and continually enhance our technology and products.

## **Our History**

Our company was founded in 2009 and launched our first media quality benchmarks in 2010. With the continued growth of the digital advertising market, we have continued to innovate through new product developments and partnerships across emerging digital media channels and offerings, including connected TV (“CTV”), contextual targeting, programmatic, and social. Key milestones since our company’s founding include:

- 2009: Founded as AdSafe Media and opened our headquarters in New York City
- 2010: Introduced our first Media Quality benchmarks for brand safety and viewability
- 2012: Rebranded to Integral Ad Science (IAS)
- 2013: Patented our ad blocking technology; expanded internationally with a new UK presence
- 2014: Acquired Simplytics; continued international expansion with office openings in Germany and Singapore
- 2015: Acquired Veenome; continued international expansion with office openings in Australia, France, and Japan
- 2016: Announced industry-first social platform partnerships with Facebook and YouTube; acquired Swarm
- 2017: Launched new partnerships with Twitter and Snapchat; launched mobile in-app fraud and publisher optimization solutions
- 2018: Acquired by Vista Equity Partners
- 2019: Pioneered the first CTV verification solution with Verizon and leading video publishers including Hulu, Roku, and FireTV; acquired ADmantX
- 2020: Launched Context Control and Channel Science products; announced Automated Tag partnership with Google; first company approved for brand safety and brand suitability verification with YouTube
- 2021: Acquired Amino Payments

## **Facilities**

Our corporate headquarters are in New York, New York, where we lease 50,246 square feet of office space as of March 31, 2021. We also have domestic offices in Chicago and San Francisco and our international presence is primarily concentrated in London, Paris, Berlin, Hamburg, Madrid, Milan, Modena, Stockholm, Sydney, Tokyo, Singapore, and Pune, India.

We lease all of our facilities. We believe that our facilities are adequate for our current needs and anticipate that suitable additional space will be readily available to accommodate any foreseeable expansion of our operations.

## **Legal Proceedings**

From time to time, we have been and may be involved in various legal proceedings and claims arising in our ordinary course of business. At this time, neither we nor any of our subsidiaries is a party to, and none of our respective property is the subject of, any legal proceeding that, if determined adversely to us, would have a material adverse effect on us.

## CORPORATE CONVERSION

We currently operate as a Delaware limited liability company under the name Integral Ad Science Holding LLC, which directly and indirectly holds all of the equity interests in our operating subsidiaries. Immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, Integral Ad Science Holding LLC will convert into a Delaware corporation pursuant to a statutory conversion and will change its name to Integral Ad Science Holding Corp. In this prospectus, we refer to all of the transactions related to our conversion into a corporation as the Corporate Conversion.

The purpose of the Corporate Conversion is to reorganize our corporate structure so that the entity that is offering our common stock to the public in this offering is a corporation rather than a limited liability company and so that our existing equity holders will own our common stock rather than equity interests in a limited liability company.

In conjunction with the Corporate Conversion, all of our outstanding membership interests will be converted into an aggregate of \_\_\_\_\_ shares of our common stock. The number of shares of common stock issuable in connection with the Corporate Conversion will be determined pursuant to the applicable provisions of the plan of conversion.

We expect to be controlled by our Sponsor following the Corporate Conversion. After giving effect to the Corporate Conversion and the completion of this offering, our Sponsor will control \_\_\_\_\_ % of the voting power of our company. For more information on the indirect ownership of our common stock by our Sponsor and the voting and economic rights associated with each class of our common stock, please read “Principal Stockholders” and “Description of Capital Stock,” respectively.

As a result of the Corporate Conversion, Integral Ad Science Holding Corp. will succeed to all of the property and assets of Integral Ad Science Holding LLC and will succeed to all of the debts and obligations of Integral Ad Science Holding LLC. Integral Ad Science Holding Corp. will be governed by an amended and restated certificate of incorporation filed with the Delaware Secretary of State and bylaws, the material provisions of which are described under the heading “Description of Capital Stock.” On the effective date of the Corporate Conversion, each of our directors and officers will be as described elsewhere in this prospectus. See the section titled “Management.”

Except as otherwise noted herein, the consolidated financial statements included elsewhere in this prospectus are those of Integral Ad Science Holding LLC and its consolidated operations. We do not expect that the Corporate Conversion will have a material effect on the results of our core operations.



## MANAGEMENT

Below is a list of the names, ages, positions and a brief account of the business experience of the individuals who serve as our executive officers, directors and director nominees who are expected to become directors prior to completion of this offering.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Lisa Utzschneider	52	Chief Executive Officer and Director
Joseph Pergola	46	Chief Financial Officer
Tony Lucia	68	Chief Technology Officer
Tom Sharma	47	Chief Product Officer
Oleg Bershadsky	39	Chief Operating Officer
Michael Fosnaugh	42	Director
Rod Aliabadi	36	Director
Martin Taylor	51	Director
Brooke Nakatsukasa	28	Director
Bridgette Heller	59	Director
Jill Putman	54	Director
Otto Berkes	58	Director
Christina Lema	41	Director Nominee

### **Lisa Utzschneider**

Ms. Utzschneider is a member of the board of directors and has been the Chief Executive Officer at IAS since January 2019. Prior to joining IAS, Ms. Utzschneider held the position of Chief Revenue Officer and Senior Vice President at Yahoo!, a web services provider, from 2014 to 2017. From 2008 to 2014, Ms. Utzschneider was Vice President of Global Advertising Sales of Amazon (NASDAQ: AMZN), a multinational technology company. Prior to Amazon, Ms. Utzschneider spent 10 years, from 1998 to 2008, in various executive roles at Microsoft (NASDAQ: MSFT), culminating in her role as General Manager of the national sales and service teams. Ms. Utzschneider holds a bachelor's degree from Bates College and a master's degree in public administration from New York University. Ms. Utzschneider is qualified to serve on the board of directors because of her extensive experience in the technology sector, her experience holding executive positions at various public companies and her insight into our business.

### **Joseph Pergola**

Mr. Pergola joined the IAS team in 2019 and was appointed Chief Financial Officer in 2020. Prior to joining IAS, Mr. Pergola was a Sales Strategy and Operations Leader for the advertising business at Amazon between 2018 and 2019, and before, from 2016 to 2018, was the CFO of the Technology and Product Division for Audible.com, a private online audiobook and podcast service. Prior to his time with Audible.com, he was the Regional CFO for the Americas at Criteo (NASDAQ: CRTO) from 2015 to 2016. Throughout his career, Mr. Pergola also has held senior leadership roles at The Weather Channel, Yahoo!, and Time Warner Inc. He currently serves on the Board of Regents at St. Peter's University, a private university. Mr. Pergola earned his bachelor's degree in Business Administration from St. Peter's University and an MBA from Fordham University.

### **Tony Lucia**

Mr. Lucia is our Chief Technology Officer and joined IAS in 2019. Between 2016 and 2018, Mr. Lucia was the SVP of Data Strategy and Data Science at IAC Applications (NASDAQ: IAC), a holding company that owns

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brands across 100 countries, mostly in media and internet. Prior to that, he worked with Patients Like Me, an iCarbonX company, where he served as Senior Vice President of Software and Data Engineering from 2012 to 2016. Between 2013 and 2016, Mr. Lucia also held key roles at John Wiley & Sons (NYSE: JWA) and Thomson Reuters Healthcare. Mr. Lucia received his bachelor's degree in business management from Mercy College in New York, and holds a certificate from the Columbia Graduate School of Business Executive Education program.

### **Tom Sharma**

Mr. Sharma joined the IAS team in 2020 as our Chief Product Officer. Prior to IAS, Mr. Sharma was the Senior Vice President and Head of Product at Intersection, a smart cities technology and out-of-home advertising company, between 2017 and 2020. He founded and led Impact Digital Media from 2014 to 2017. Between 2008 and 2013, Mr. Sharma held several leadership roles at NBCUniversal (NASDAQ: CMCSA) including Vice President, Emerging Products, and was a founding team member for Hulu in 2006. Mr. Sharma earned his bachelor's degree in Engineering from NM University.

### **Oleg Bershadsky**

Mr. Bershadsky joined the IAS team in 2019 to lead global business operations, monetization, analytics, and sales strategy. He was appointed Chief Operating Officer in 2020. Prior to IAS, Mr. Bershadsky was with Verizon Media (NYSE: VZ), where he led Americas Business Operations, Sales Insights, and Global Data Solutions functions between 2017 and 2019. Mr. Bershadsky joined Verizon Media via its acquisition of Yahoo! Between 2008 and 2017, Mr. Bershadsky held various roles at Yahoo!, including Senior Director of Business Operations. Mr. Bershadsky holds a Master's Degree in Politics and International Relations from New York University and a bachelor's degree in Economics from Stony Brook University.

### **Michael Fosnaugh**

Michael Fosnaugh has served on our Board since 2018. Mr. Fosnaugh is a Senior Managing Director at Vista. Mr. Fosnaugh is Co-Head of Vista's Flagship Fund and sits on the Flagship Fund's Investment Committee. Additionally, Mr. Fosnaugh serves as a member of Vista's Executive Committee, the firm's governing and decision-making body for matters affecting its overall management and strategic direction, and Vista's Private Equity Management Committee, the firm's decision-making body for matters affecting Vista's overall private equity platform. Mr. Fosnaugh currently serves as Chairman of the Board for Ping Identity Holding Corp. (NYSE: PING) and Jamf Holding Corp. (NASDAQ: JAMF) and is on the board of several of Vista's private portfolio companies, including Acquia Inc., Advicent Solutions Inc., Alegeus Technologies Holdings Corp., Applause App Quality Inc., CentralSquare Technologies, LLC, EAB Global Inc., Greenway Health LLC, Market Track, LLC, Mediaocean LLC, PlanSource Benefits Administration Inc., SmartBear Software Inc., STATS LLC (d/b/a STATS Perform) and Triple Lift, Inc. Mr. Fosnaugh was actively involved in Vista's investments in Forcepoint LLC, MRI Software, LLC, SirsiDynix Corporation, Sunquest Information Systems Inc., Vertafore, Inc., Websense, Inc., and Zywave, Inc. Mr. Fosnaugh is Co-Head of Vista's Chicago office. Prior to joining Vista in 2005, Mr. Fosnaugh worked in the Technology, Media & Telecommunications group at SG Cowen & Co., where he focused on the software, services and financial technology sectors. While at SG Cowen & Co., Mr. Fosnaugh advised clients on buy-side and sell-side transactions, public and private equity financings and other strategic advisory initiatives. Mr. Fosnaugh received a bachelor's degree in economics, cum laude, from Harvard College. Mr. Fosnaugh's extensive experience in the areas of corporate strategy, technology, finance, marketing, business transactions and software investments, as well as his experience working with other technology and software companies, make him a valuable member of our Board.

### **Rod Aliabadi**

Mr. Aliabadi has served on our Board since June 2018. Mr. Aliabadi is a Managing Director at Vista and sits on the Flagship Fund's Investment Committee. Prior to joining Vista in 2008, Mr. Aliabadi worked at the

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Stanford Genome Technology Center, focusing on the development of nanotechnology-driven diagnostics. Mr. Aliabadi currently serves on the board of Ping Identity Holding Corp. and several of Vista's private portfolio companies, including Acquia Inc., EAB Global Inc., MediaOcean LLC, QuickBase, Inc., and Triple Lift, Inc. Mr. Aliabadi received a bachelor of engineering in biomedical engineering from Vanderbilt University. We believe Mr. Aliabadi's extensive experience in the areas of corporate strategy, technology, finance and engineering, as well as his experience on the boards of other technology and software companies, make him a valuable member of our Board.

### **Martin Taylor**

Mr. Taylor has served on our Board since 2018. Mr. Taylor is an Operating Managing Director at Vista Equity Partners and President of OneVista. In his capacity as an Operating Managing Director, he works with the leadership teams in the Vista portfolio creating value and sits on the Flagship Funds' Investment Committee. Mr. Taylor currently serves on the board of Jamf Holding Corp., Ping Identity Holding Corp. and several of Vista's private portfolio companies, including, MediaOcean LLC, TripleLift, Mindbody, Navex and Vivid Seats. He also works on a variety of cross portfolio initiatives in his role as President of OneVista. Prior to joining Vista in 2006, Mr. Taylor spent over 13 years at Microsoft in various capacities, including roles managing corporate strategy, sales, product marketing and various segment focused teams in North America and Latin America. Mr. Taylor attended George Mason University. Mr. Taylor's extensive experience in the areas of corporate strategy, technology, finance, marketing, business transactions and mergers and acquisitions as well as his experience serving on the boards of other technology and software companies, make him a valuable member of our Board.

### **Brooke Nakatsukasa**

Ms. Nakatsukasa has served on our Board since December 2020. Ms. Nakatsukasa joined Vista Equity Partners in August 2016 and is currently a Vice President on the private equity Flagship team. Ms. Nakatsukasa currently works with the firm's investments in Gainsight, Inc., iCIMS, Inc., Ping Identity Holding Corp., and Zapproved LLC and was actively involved with Vista's investments in Datto (NYSE: MSP), Market Track, LLC, and QuickBase, Inc. Prior to joining Vista, Ms. Nakatsukasa worked at Deutsche Bank as an analyst in the Financial Sponsors Group, where she advised private equity clients on mergers, acquisitions and capital raises across a variety of sectors including consumer, industrials and financial institutions. Ms. Nakatsukasa holds a B.B.A. in Finance, magna cum laude, from the George Washington School of Business at George Washington University. We believe Ms. Nakatsukasa's public company experience as well as her insights into the areas of technology, private equity and finance will make her a valuable member of our board.

### **Bridgette Heller**

Ms. Heller has served on our board since May 2021. Ms. Heller founded the Shirley Proctor Puller Foundation in 2014 and currently serves as the Chief Executive Officer. Previously, from 2016 to 2019, Ms. Heller served as the Executive Vice President and President of Nutricia, the Specialized Nutrition Division of Danone S.A. Ms. Heller also previously served as Executive Vice President of Merck & Co., Inc. (NYSE: MRK) and President of Merck's Consumer Care division from 2010 to 2015. Prior to joining Merck & Co., Inc., Ms. Heller was the President of Johnson and Johnson's (NYSE: JNJ) Global Baby Business Unit from 2007 to 2010, and served as President of its Global Baby, Kids, and Wound Care business from 2005 to 2007. Ms. Heller also served as Executive Vice President and General Manager of Kraft Foods' (NASDAQ: KHC) North American Coffee Portfolio from 2002 to 2005. Currently, Ms. Heller is a director on the boards of Dexcom, Inc. (NASDAQ: DXCM), Aramark, Inc. (NYSE: ARMK), and Novartis AG (NYSE: NVS). Ms. Heller received her bachelor's degree in Economics and Computer Studies from Northwestern University and an MBA from Northwestern University's Kellogg Graduate School of Management. She is a Trustee of Northwestern, a member of the Weinberg College Board of Visitors and serves on Advisory Board for the Kellogg School. We believe Ms. Heller's extensive business experience as well as her insights into the area of technology will make her a valuable member of our Board.

### **Jill Putman**

Ms. Putman has been a member of the board of directors since April 2021. Ms. Putman has been the Chief Financial Officer of Jamf Holding Corp. since 2014. Prior to her role at Jamf Holding Corp., Ms. Putman was the Chief Financial Officer at Kroll Ontrack from July 2011 until May 2014. From 1997 to 2009, Ms. Putman held several roles, including VP of Finance, at Secure Computing, which was acquired by McAfee in 2008. Ms. Putman began her career with KPMG, serving in its audit practice. Ms. Putman holds a bachelor's degree in Accounting and Psychology from Luther College, an MBA from the University of St. Thomas, and is a CPA, inactive. We believe Ms. Putman's leadership experience as a board member and executive at high-growth technology companies qualifies her to serve on the board.

### **Otto Berkes**

Mr. Berkes has served on our board since August 2020. Mr. Berkes is currently the Chief Executive Officer at Acendre, a provider of talent management software solutions. Before Acendre, Mr. Berkes led the development of the popular HBO GO video streaming platform from 2011 to 2015. Mr. Berkes joined HBO after an 18-year career at Microsoft, where he drove groundbreaking hardware and software innovation in computer graphics, home entertainment, mobile devices, and cloud services. Mr. Berkes earned a B.A. in Physics with a minor in Music Performance from Middlebury College, and he holds a MS of Computer Science and Electrical Engineering from the University of Vermont. We believe Mr. Berkes' experience and expertise in building businesses with innovative technology solutions will makes him a valuable member of our board.

### **Christina Lema**

Christina Lema is expected to join our board prior to the completion of this offering. Ms. Lema has served as Managing Director and General Counsel of Vista Equity Partners since February 2012. As General Counsel of Vista, she divides her time between corporate and transactional matters, fund formation, every day legal matters, and advising Vista's portfolio companies. Ms. Lema earned a B.A. in Economics and Spanish from the University of Pennsylvania and a J.D. from the Columbia University School of Law. We believe Ms. Lema's expertise in legal matters and experience working with similar companies will make her a valuable member of our board.

### **Family Relationships**

There are no family relationships between any of our executive officers or directors.

### **Corporate Governance**

#### ***Board Composition and Director Independence***

Our business and affairs are managed under the direction of our Board. Following completion of this offering, our Board will be composed of nine directors. Our certificate of incorporation will provide that the authorized number of directors may be changed only by resolution of our Board and with the prior written consent of Vista for so long as it holds director nomination rights. Our certificate of incorporation will also provide that our Board will be divided into three classes of directors, with the classes as nearly equal in number as possible. Subject to any earlier resignation or removal in accordance with the terms of our certificate of incorporation and bylaws, our Class I directors will be Mr. Fosnaugh, Mr. Aliabadi, and Mr. Taylor and will serve until the first annual meeting of shareholders following the completion of this offering, our Class II directors will be Mr. Berkes, Ms. Nakatsukasa, and Ms. Utzschneider, and will serve until the second annual meeting of shareholders following the completion of this offering and our Class III directors will be Ms. Putman, Ms. Lema, and Ms. Heller and will serve until the third annual meeting of shareholders following the completion of this offering. Upon completion of this offering, we expect that each of our directors will serve in the classes as indicated above. In addition, our certificate of incorporation will provide that our directors may be

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removed with or without cause by the affirmative vote of at least a majority of the voting power of our outstanding shares of stock entitled to vote thereon, voting together as a single class for so long as Vista beneficially owns 40% or more of the total number of shares of our common stock then outstanding. If Vista's beneficial ownership falls below 40% of the total number of shares of our common stock outstanding, then our directors may be removed only for cause upon the affirmative vote of at least 66 2/3% of the voting power of our outstanding shares of stock entitled to vote thereon. Our bylaws will provide that Vista will have the right to designate the Chair of the Board for so long as Vista beneficially owns at least 30% or more of the voting power of the then outstanding shares of our capital stock then entitled to vote generally in the election of directors. Following this offering, Mr. Fosnaugh will be the Chair of our Board.

This classification of our board of directors may have the effect of delaying or preventing changes in control of our company.

The listing standards of NASDAQ require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act.

We anticipate that, prior to our completion of this offering, the Board will determine that Ms. Putman, Mr. Berkes and Ms. Heller meet the NASDAQ requirements to be independent directors. In making this determination, our Board considered the relationships that each such non-employee director has with the Company and all other facts and circumstances that our Board deemed relevant in determining their independence, including beneficial ownership of our common stock.

See "Certain Relationships and Related Party Transactions—Director Nomination Agreement" for more information.

### ***Controlled Company Status***

After completion of this offering, Vista will continue to control a majority of our outstanding common stock. As a result, we will be a "controlled company." Under NASDAQ rules, a company of which more than 50% of the voting power for the election of directors is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain NASDAQ corporate governance requirements, including the requirements that, within one year of the date of the listing of our common stock:

- we have a board that is composed of a majority of "independent directors," as defined under the rules of such exchange;
- we have a compensation committee that is composed entirely of independent directors; and
- we have a nominating and corporate governance committee that is composed entirely of independent directors.

Following this offering, we intend to rely on this exemption. As a result, we may not have a majority of independent directors on our Board. In addition, our Compensation and Nominating Committee may not consist entirely of independent directors or be subject to annual performance evaluations. Accordingly, you may not have the same protections afforded to shareholders of companies that are subject to all of the NASDAQ corporate governance requirements.

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### **Board Committees**

Upon completion of this offering, our Board will have an Audit Committee and a Compensation and Nominating Committee. The composition, duties and responsibilities of these committees will be as set forth below. In the future, our Board may establish other committees, as it deems appropriate, to assist it with its responsibilities.

Board Member	Audit Committee	Compensation and Nominating Committee
Lisa Utschneider		
Michael Fosnaugh		
Rod Aliabadi		X(Chair)
Martin Taylor		X
Jill Putman	X(Chair)	
Otto Berkes	X	
Brooke Nakatsukasa		X
Bridgette Heller	X	
Christina Lema		

### **Audit Committee**

Following this offering, our Audit Committee will be composed of Ms. Putman, Mr. Berkes, and Ms. Heller, with Ms. Putman serving as chair of the committee. We intend to comply with the audit committee requirements of the SEC and NASDAQ, which require that the Audit Committee be composed of at least one independent director at the closing of this offering, a majority of independent directors within 90 days following this offering and all independent directors within one year following this offering. We anticipate that, prior to the completion of this offering, our Board will determine that Ms. Putman, Mr. Berkes and Ms. Heller meet the independence requirements of Rule 10A-3 under the Exchange Act and the applicable listing standards of NASDAQ. We anticipate that, prior to our completion of this offering, our Board will determine that Jill Putman is an “audit committee financial expert” within the meaning of SEC regulations and applicable listing standards of NASDAQ. The Audit Committee’s responsibilities upon completion of this offering will include:

- appointing, approving the compensation of, and assessing the qualifications, performance and independence of our independent registered public accounting firm;
- pre-approving audit and permissible non-audit services, and the terms of such services, to be provided by our independent registered public accounting firm;
- reviewing our policies on risk assessment and risk management;
- reviewing and discussing with management and the independent registered public accounting firm our annual and quarterly financial statements and related disclosures as well as critical accounting policies and practices used by us;
- reviewing the adequacy of our internal control over financial reporting;
- establishing policies and procedures for the receipt and retention of accounting-related complaints and concerns;
- recommending, based upon the Audit Committee’s review and discussions with management and the independent registered public accounting firm, whether our audited financial statements shall be included in our Annual Report on Form 10-K;
- monitoring our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters;
- preparing the Audit Committee report required by the rules of the SEC to be included in our annual proxy statement;
- reviewing all related party transactions for potential conflict of interest situations and approving all such transactions; and

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- reviewing and discussing with management and our independent registered public accounting firm our earnings releases and scripts.

### **Compensation and Nominating Committee**

Following this offering, our Compensation and Nominating Committee will be composed of Mr. Aliabadi, Ms. Nakatsukasa and Mr. Taylor, with Mr. Aliabadi serving as chair of the committee. The Compensation and Nominating Committee's responsibilities upon completion of this offering will include:

- annually reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer;
- evaluating the performance of our chief executive officer in light of such corporate goals and objectives and determining and approving the compensation of our chief executive officer;
- reviewing and approving the compensation of our other executive officers;
- appointing, compensating and overseeing the work of any compensation consultant, legal counsel or other advisor retained by the compensation committee;
- conducting the independence assessment outlined in the NASDAQ rules with respect to any compensation consultant, legal counsel, or other advisor retained by the compensation committee;
- annually reviewing and reassessing the adequacy of the committee charter in its compliance with the listing requirements of NASDAQ;
- reviewing and establishing our overall management compensation, philosophy, and policy;
- overseeing and administering our compensation and similar plans;
- reviewing and making recommendations to our Board with respect to director compensation;
- reviewing and discussing with management the compensation discussion and analysis to be included in our annual proxy statement or Annual Report on Form 10-K;
- developing and recommending to our Board criteria for board and committee membership;
- subject to the rights of Vista under the Director Nomination Agreement, identifying and recommending to our Board the persons to be nominated for election as directors and to each of our Board's committees;
- developing and recommending to our Board best practices and corporate governance principles;
- developing and recommending to our Board a set of corporate governance guidelines; and
- reviewing and recommending to our Board the functions, duties, and compositions of the committees of our Board.

### **Compensation Committee Interlocks and Insider Participation**

None of our executive officers currently serves, or in the past fiscal year has served, as a member of the Board or compensation committee of any entity that has one or more executive officers serving on our Board or Compensation and Nominating Committee.

### **Risk Oversight**

Our Board will oversee the risk management activities designed and implemented by our management. Our Board will execute its oversight responsibility for risk management both directly and through its committees. The full Board will also consider specific risk topics, including risks associated with our strategic plan, business operations and capital structure. In addition, our Board will receive detailed regular reports from members of our senior management and other personnel that include assessments and potential mitigation of the risks and exposures involved with their respective areas of responsibility.

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Our Board will delegate to the Audit Committee oversight of our risk management process. Our other committees of our Board will also consider and address risk as they perform their respective committee responsibilities. All committees will report to the full Board as appropriate, including when a matter rises to the level of a material or enterprise level risk.

**Code of Business Conduct and Ethics**

Prior to completion of this offering, we intend to adopt a code of business conduct and ethics that applies to all of our employees, officers, and directors, including those officers responsible for financial reporting. Upon the closing of this offering, our code of business conduct and ethics will be available on our website. We intend to disclose any amendments to the code, or any waivers of its requirements, on our website.



## EXECUTIVE COMPENSATION

We are currently considered an “emerging growth company” as defined in the JOBS Act for purposes of the SEC’s executive compensation disclosure rules. In accordance with those rules, we are required to provide a Summary Compensation Table and an Outstanding Equity Awards at Fiscal Year End Table, as well as limited narrative disclosures regarding executive compensation for our last completed fiscal year. Further, our reporting obligations extend only to our “named executive officers,” who are the individuals who served as our principal executive officer and our next two other most highly compensated executive officers at the end of the last completed fiscal year. Accordingly, for the purposes of the disclosures in this section, our “Named Executive Officers” are:

<u>Name</u>	<u>Principal Position</u>
Lisa Utzschneider	Chief Executive Officer
Joseph Pergola	Chief Financial Officer
Tom Sharma	Chief Product Officer

### 2020 Summary Compensation Table

The following table summarizes the compensation awarded to, earned by or paid to our Named Executive Officers for the fiscal year ended December 31, 2020.

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary (\$)</u>	<u>Bonus (\$)(1)</u>	<u>Option Awards (\$)(2)</u>	<u>All Other Compensation (\$)(3)</u>	<u>Total (\$)</u>
Lisa Utzschneider (Chief Executive Officer)	2020	\$ 491,667	\$ 250,000	—	\$ 16,738	\$ 758,405
Joseph Pergola (Chief Financial Officer)	2020	\$ 256,455(4)	\$ 150,000	\$ 2,061,528	\$ 10,890	\$ 2,478,873
Tom Sharma (Chief Product Officer)	2020	\$ 66,667	\$ 26,667	\$ 2,152,591	\$ 1,382	\$ 2,247,307

- (1) Amounts reported in the “Bonus” column represent discretionary bonuses awarded with respect to the 2020 fiscal year. Please see the section entitled “Narrative Disclosure to the Summary Compensation Table—Employment Agreements” below for additional details regarding our bonus structure.
- (2) Amounts reported in the “Option Awards” column reflect the aggregate grant date fair value, computed in accordance with FASB ASC Topic 718, of non-qualified options to purchase non-voting units of Integral Ad Science Holding LLC, granted in the 2020 fiscal year pursuant to the Integral Ad Science Holding LLC 2018 Non-Qualified Unit Option Plan that are subject to performance-based vesting requirements (the “Return Target Options”). Each award granted in the 2020 fiscal year also included options subject to time-based vesting requirements (the “Service Options”). The Service Options are not in the scope of FASB ASC Topic 718 and therefore do not have an aggregate grant date fair value, but for the purposes of the amounts in the “Option Awards” column, the value of the Service Options was determined using a Black Scholes option-pricing model. Amounts reported in the “Option Awards” column reflect (i) in the case of Mr. Pergola, \$1,577,107 in Service Options and \$484,421 in Return Target Options granted during the 2020 fiscal year; and (ii) in the case of Mr. Sharma, \$1,721,787 in Service Options and \$430,804 in Return Target Options granted during the 2020 fiscal year. Please see the sections entitled “Narrative Disclosure to the Summary Compensation Table—Equity Incentives” and “Additional Narrative Disclosures—Integral Ad Science Holding LLC 2018 Non-Qualified Unit Option Plan” below for more details regarding these awards.
- (3) Amounts reported in the “All Other Compensation” column reflect (i) in the case of Ms. Utzschneider, \$8,550 in profit sharing contributions and \$8,188 in 401(k) plan matching contributions made on her behalf during the 2020 fiscal year; (ii) in the case of Mr. Pergola, \$8,550 in profit sharing contributions and \$2,340

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in 401(k) plan matching contributions made on his behalf during the 2020 fiscal year; and (iii) in the case of Mr. Sharma, \$1,382 in profit sharing contributions. The profit sharing contributions were made based on the Company's performance in lieu of our typical 401(k) matching contributions, which were temporarily suspended in April 2020 due to COVID-19. Please see the section entitled "Additional Narrative Disclosure—Retirement Benefits" for additional information regarding 401(k) plan contributions.

- (4) Effective November 24, 2020, Mr. Pergola's role was changed from Chief of Staff to Chief Financial Officer. In connection with this, his annual base salary was adjusted from \$285,000 to \$375,000.

### **Narrative Disclosure to Summary Compensation Table**

#### ***Employment Agreements***

We have entered into employment agreements, as amended, with each of our Named Executive Officers that provide for each executive's annual base salary, target bonus opportunity, eligibility to receive options to purchase non-voting units of Integral Ad Science Holding LLC, and eligibility to participate in our benefit plans generally.

Each of Ms. Utschneider, Mr. Pergola, and Mr. Sharma's annual base salaries for the 2020 fiscal year were \$500,000, \$375,000, and \$400,000, respectively, and their annual potential discretionary bonuses were 50%, 40%, and 40%, respectively, of their base salaries. As noted above, Mr. Pergola's annual base salary was adjusted from \$285,000 to \$375,000, effective November 24, 2020. The annual discretionary bonuses are determined in the discretion of the Board based on financial targets such as revenue, recurring revenue, gross profit, and/or EBITDA targets. In addition to these financial targets, the achievement of certain "stretch" targets, as determined in the sole discretion of the Board, will entitle each Named Executive Officer an additional bonus of up to 10% of base salary (in the case of Ms. Utschneider, 50%). Pursuant to his employment agreement, Mr. Sharma is also eligible for an additional one-time discretionary bonus in the aggregate amount of up to \$101,000 on or around February 1, 2021, subject to his achievement of pre-established performance goals and his continued employment through the payment date.

The employment agreements provide for certain severance benefits upon a resignation by the applicable executive for "good reason" or upon a termination by the Company without "cause." Please see the section entitled "Additional Narrative Disclosure—Potential Payments upon Termination or Change in Control" below for more details regarding the severance benefits provided to our Named Executive Officers under the employment agreements.

#### ***Equity Incentives***

Pursuant to the Integral Ad Science Holding LLC 2018 Non-Qualified Unit Option Plan (the "2018 Plan"), we have historically offered long-term incentives to our Named Executive Officers through grants of options to purchase interests in Integral Ad Science Holding LLC (the "Options"). The Service Options are subject to service-based vesting requirements and accelerated vesting upon the occurrence of certain change in control events. The Return Target Options are subject to vesting based on total equity return, and expire if such return-based vesting requirements are not met upon certain change in control events. The Return Target Options will vest in connection with certain change in control events, upon the achievement of a 3x return on investment to Vista. See below under "Additional Narrative Disclosures—Integral Ad Science Holding LLC 2018 Non-Qualified Unit Option Plan" for additional details regarding these awards, and under "Additional Narrative Disclosure—Potential Payments upon a Termination or Change in Control" for additional information regarding the circumstances that could result in accelerated vesting of these awards.

**Outstanding Equity Awards at 2020 Fiscal Year-End**

<u>Name</u>	<u>Option Awards(1)</u>			
	<u>Number of securities underlying unexercised options exercisable (#)(2)</u>	<u>Number of securities underlying unexercised options unexercisable (#)(3)</u>	<u>Option exercise price (\$)</u>	<u>Option expiration date (8)</u>
Lisa Utzschneider	3,709.6950	9,009.2592(4)	\$ 1,000.00	01/07/2029
Joseph Pergola	75.3216	376.608(5)	\$ 1,055.58	10/19/2029
	—	1,656.7265(6)	\$ 2,075.98	11/24/2030
Tom Sharma	—	1,807.4184(7)	\$ 2,075.98	11/2/2030

- (1) For each Named Executive Officer, two-thirds (2/3) of the Options disclosed in this table are Service Options and the remaining one-third (1/3) are Return Target Options. Twenty-five percent (25%) of the Service Options vest on the first anniversary of the vesting commencement date, and 6.25% of the Service Options vest on the last day of each calendar quarter following the first anniversary of the vesting commencement date until 100% of the Service Options are vested, subject to the Named Executive Officer's continued employment through the applicable vesting date. The Return Target Options vest upon the achievement of a 3x return on investment to Vista upon certain change in control events. The treatment of these awards upon certain terminations of employment and change in control events is described below under "Additional Narrative Disclosure—Potential Payments Upon Termination or Change in Control."
- (2) Awards reflected as "exercisable" are Service Options that have vested, but remain outstanding.
- (3) Awards reflected as "unexercisable" are Service and Return Target Options that have not vested.
- (4) Under the terms of the applicable Option award agreement, (i) 3,709.6950 Service Options are vested and exercisable, (ii) 4,769.6078 Service Options are unvested; and (iii) 4,239.6514 Return Target Options are unvested and will vest upon the achievement of a 3x return on investment to Vista upon certain change in control events, so long as Ms. Utzschneider remains employed through the date of such event.
- (5) Under the terms of the applicable Option award agreement, (i) 75.3216 Service Options are vested and exercisable, (ii) 225.9648 Service Options are unvested; and (iii) 150.6432 Return Target Options are unvested and will vest upon the achievement of a 3x return on investment to Vista upon certain change in control events, so long as Mr. Pergola remains employed through the date of such event.
- (6) Mr. Pergola received an additional Option grant upon his promotion to CFO. Under the terms of the applicable Option award agreement, (i) none of the Service Options are vested and exercisable, (ii) 1,104.4843 Service Options are unvested; and (iii) 552.2422 Return Target Options are unvested and will vest upon the achievement of a 3x return on investment to Vista upon certain change in control events, so long as Mr. Pergola remains employed through the date of such event.
- (7) Under the terms of the applicable Option award agreement, (i) none of the Service Options are vested and exercisable, (ii) 1,204.9456 Service Options are unvested; and (iii) 602.4728 Return Target Options are unvested and will vest upon the achievement of a 3x return on investment to Vista upon certain change in control events, so long as Mr. Sharma remains employed through the date of such event.
- (8) These awards are subject to expiration upon the earlier of (i) thirty (30) days after the termination of the Named Executive Officer and (ii) the tenth anniversary of the date of the Option award agreement. The date disclosed as the "expiration date" is the tenth anniversary of the date of grant of each Option award.

**Additional Narrative Disclosure**
**Retirement Benefits**

We do not have a defined benefit pension plan or nonqualified deferred compensation plan. We currently maintain a retirement plan intended to provide benefits under Section 401(k) of the Code, pursuant to which employees, including the Named Executive Officers, can make voluntary pre-tax contributions. We match 50% of elective deferrals made by employees, up to 3% of each employee's base salary with respect to each calendar

year. All amount contributed to employees' accounts, including these matching contributions, are 100% vested at all times. All contributions under the plan are subject to certain annual dollar limitations, which are periodically adjusted for changes in the cost of living. With respect to the 2020 fiscal year, the company suspended 401(k) matching contributions in April 2020 for the remainder of the 2020 fiscal year. In lieu of these contributions, as noted above, at the end of the 2020 fiscal year, we made profit sharing contributions to our 401(k) plan on behalf of each employee, including to the Named Executive Officers, based on the Company's performance.

#### ***Potential Payments upon Termination or Change in Control***

Each Named Executive Officer's outstanding Service Options will accelerate and vest upon a "termination event," which is generally defined as (i) any sale or transfer by the Company (or any of its significant subsidiaries) of all or substantially all of their assets on a consolidated basis, (ii) any consolidation, merger or reorganization of the Company (or any of its significant subsidiaries) with or into any other entity or entities as a result of which any person or group other than the pre-public investors obtains possession of voting power to elect a majority of the surviving entity's board of directors or, in the case of a surviving entity which is not a corporation, governing body, or (iii) any sale or transfer to any third party of units or shares of the capital stock of any significant subsidiary by the holders thereof as a result of which any person or group other than the pre-public investors obtains possession of voting power to elect a majority of the Company's board of managers or the board of directors or any other governing body of the applicable significant subsidiary.

Our Named Executive Officers' employment agreements provide that upon a termination by us other than for "cause" or upon a resignation by such executive for "good reason," each as defined therein, subject to the execution and delivery of a fully effective release of claims in favor of the Company and continued compliance with applicable restrictive covenants, Ms. Utzschneider will receive salary continuation payments and continued COBRA coverage at the Company's expense for 12 months and, at the sole discretion of the Board, a prorated portion of any bonus that may have been awarded in the year of termination; Mr. Pergola will receive salary continuation payments for 6 months, continued COBRA coverage at the Company's expense for up to 3 months and, at the sole discretion of the Board, a prorated portion of any bonus that may have been awarded in the year of termination; Mr. Sharma will receive salary continuation payments for 12 months, continued COBRA coverage at the Company's expense for up to 3 months and, at the sole discretion of the Board, a prorated portion of any bonus that may have been awarded in the year of termination. The employment agreements also contain certain restrictive covenants, including provisions that create restrictions, with certain limitations, on our Names Executive Officers (i) soliciting any customers, soliciting or hiring Company employees or inducing them to terminate their employment during the term of the Named Executive Officers' employment with the Company and, in the case of Ms. Utzschneider and Mr. Sharma, for a 12 month period following termination of employment, and in the case of Mr. Pergola, for a 24 month period following termination of employment, (ii) competing with the Company during the term of the Named Executive Officers' employment with the Company and, in the case of Ms. Utzschneider and Mr. Sharma, for a 12 month period following termination of employment, and in the case of Mr. Pergola, for a 24 month period following termination of employment, in each case, subject to restrictions in certain jurisdictions, (iii) making disparaging statements about the Company or its officers, directors or employees, and (iv) disclosing confidential information of the Company or its affiliates.

For the purposes of each Named Executive Officer's employment agreement:

- "Cause" means any of the following: (i) a material failure to perform his or her responsibilities or duties to the Company, subject to certain a notice and cure period; (ii) engagement in illegal conduct or gross misconduct that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm , the standing and reputation of the Company; (iii) commission or conviction of, or plea of guilty or nolo contendere to, a felony, a crime involving moral turpitude or any other act or omission that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm , the standing and reputation of the Company; (iv) a material breach of his or her duty of loyalty to the Company or material breach of the Company's written code of conduct and business

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ethics or a violations of any of the restrictive covenants; (v) fraud, gross negligence or repetitive negligence committed without regard to written corrective direction in the course of the discharge of duties as an employee to the Company; or (vi) excessive and unreasonable absences from his or her duties for any reason (other than an authorized leave or as a result of disability).

For the purposes of the employment agreement with Ms. Utzschneider:

- “Good Reason” means, subject to certain notice and cure provisions, any of the following: (i) a material, adverse change in Ms. Utzschneider’s duties or responsibilities; (ii) a reduction of greater than 10% of her base salary, or that is not implemented in conjunction with a general decrease in salary for the executive management team; (iii) a material breach by us of any employment agreement between the Named Executive Officer and the Company; or (iv) a relocation of her primary place of work by more than 25 miles.

For the purposes of the employment agreement with each of Messrs. Pergola and Sharma:

- “Good Reason” means, subject to certain notice and cure provisions, any of the following: (i) a material, adverse change in his duties or responsibilities; (ii) a change from reporting to the CEO, except that a change to reporting to the COO, the President or the Board shall not constitute Good Reason; (iii) a reduction in base salary of greater than 10% of his base salary, or that is not implemented in conjunction with a general decrease in salary for the executive management team; (iv) a material breach by us of any employment agreement between the Named Executive Officer and the Company; or (iv) a relocation of his primary place of work by more than fifty (50) miles.

### ***Integral Ad Science Holding LLC 2018 Non-Qualified Unit Option Plan***

The 2018 Plan permits the granting of only options that do not qualify as incentive options under Section 422 of the Code. The option exercise price of each option is determined by the administrator but may not be less than 100% of the fair market value of our common stock on the date of grant. The term of each option is established by the administrator and may not exceed ten (10) years from the date of grant.

Our Board designated a Special Committee as the administrator of the 2018 Plan. The administrator has the full power to select the individuals eligible for awards, the individuals to whom awards will be granted, and to determine the specific terms and conditions of each award. The administrator is authorized to exercise its discretion to reduce the exercise price of outstanding stock options or effect the repricing of such awards through cancellation and re-grants without shareholder approval. Persons eligible to participate in the plan are those officers, employees, directors, consultants and other advisors (including prospective employees, but conditioned upon their employment) of the Company and its subsidiaries as selected from time to time by the administrator in its discretion.

Our Board has determined not to make any further awards under the 2018 Plan following the completion of this offering.

### **Actions Taken in Connection with this Offering**

#### ***Annual Base Salary and Target Annual Bonus Changes***

We expect that upon the completion of this offering, Ms. Utzschneider’s target bonus opportunity will be increased to 100% of her base salary and Mr. Pergola’s base salary will be increased to \$425,000.

#### ***Stock Options and Restricted Stock Unit Grants***

In connection with this offering, we expect to grant Mr. Pergola options to purchase \_\_\_\_\_ shares of common stock of the Company and Ms. Utzschneider options to purchase \_\_\_\_\_ shares of common stock of

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the Company. One third of these options will be subject to performance-based vesting requirements. The remaining two thirds of these options will vest 25% after the first year, and in equal installments quarterly thereafter over the next three years, subject to the recipient's continued employment. We also expect to grant certain employees and other service providers restricted stock units under the Omnibus Incentive Plan with respect to an aggregate of up to approximately \_\_\_\_\_ shares of the Company's common stock.

### **2021 Employee Stock Purchase Plan**

In order to incentivize our employees following the completion of this offering, we anticipate that our Board will adopt the 2021 Employee Stock Purchase Plan (the "ESPP"), the material terms of which are summarized below, prior to the completion of this offering. This summary is not a complete description of all of the provisions of the ESPP and is qualified in its entirety by reference to the ESPP, a copy of which will be filed as an exhibit to the registration statement of which this prospectus forms a part.

The ESPP is comprised of two distinct components in order to provide increased flexibility to grant options to purchase shares under the ESPP to U.S. and non-U.S. employees. Specifically, the ESPP authorizes (i) the grant of options to U.S. employees that are intended to qualify for favorable U.S. federal tax treatment under Section 423 of the Code (the "Section 423 Component"), and (ii) the grant of options that are not intended to be tax-qualified under Section 423 of the Code to facilitate participation for employees located outside of the U.S. who do not benefit from favorable U.S. federal tax treatment and to provide flexibility to comply with non-U.S. law and other considerations (the "Non-Section 423 Component"). Where permitted under local law and custom, we expect that the Non-Section 423 Component will generally be operated and administered on terms and conditions similar to the Section 423 Component.

#### *Shares Available for Awards; Administration*

A total of \_\_\_\_\_ shares of our common stock will initially be reserved for issuance under the ESPP. In addition, the number of shares available for issuance under the ESPP will be increased annually on January 1 of each calendar year beginning in 2022 and ending in and including 2031, by an amount equal to the lesser of (i) \_\_\_\_\_ % of the shares outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of shares as is determined by our Board, provided that no more than \_\_\_\_\_ shares of our common stock may be issued under the Section 423 Component. In no event will more than the reserved shares of our common stock be available for issuance under the ESPP. Our Board or a committee of our Board will administer and will have authority to interpret the terms of the ESPP and determine eligibility of participants. We expect that the compensation committee will be the initial administrator of the ESPP.

#### *Eligibility*

We expect that all of our employees and employees of any designated subsidiary, as defined in the ESPP, will be eligible to participate in the ESPP. However, an employee may not be granted rights to purchase stock under our ESPP if the employee, immediately after the grant, would own (directly or through attribution) stock possessing 5% or more of the total combined voting power of all classes of our stock.

#### *Grant of Rights*

Stock will be offered under the ESPP during offering periods. Each offering will consist of an offering period commencing on the first day of the calendar quarter following the end of the immediately preceding offering period. The plan administrator may, at its discretion, choose a different length of the offering period not to exceed 27 months. Employee payroll deductions will be used to purchase shares on each purchase date during an offering period. The purchase date for each offering period will be the final trading day in the offering period. The plan administrator may, in its discretion, modify the terms of future offering periods.

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The ESPP permits participants to purchase common stock through payroll deductions of up to 15% of their eligible compensation. The maximum number of shares that may be purchased by a participant during any offering period will be \_\_\_\_\_ shares. In addition, no employee will be permitted to accrue the right to purchase stock under the Section 423 Component at a rate in excess of \$25,000 worth of shares during any calendar year during which such a purchase right is outstanding (based on the fair market value per share of our common stock as of the first day of the offering period).

On the first trading day of each offering period, each participant will automatically be granted an option to purchase shares of our common stock. The option will expire at the end of the applicable offering period, and will be exercised at that time to the extent of the payroll deductions accumulated during the offering period. The purchase price of the shares, in the absence of a contrary designation, will be \_\_\_\_\_ % of the lower of the fair market value of our common stock on the first trading day of the offering period or on the purchase date. Participants may voluntarily end their participation in the ESPP at any time during a specified period prior to the end of the applicable offering period, and will be paid their accrued payroll deductions that have not yet been used to purchase shares of common stock. Participation ends automatically upon a participant's termination of employment.

A participant may not transfer rights granted under the ESPP other than by will or the laws of descent and distribution, and rights granted under the ESPP are generally exercisable only by the participant.

### *Certain Transactions*

In the event of certain transactions or events affecting our common stock, the plan administrator will make equitable adjustments to the ESPP and outstanding rights. In the event of certain unusual or non-recurring events or transactions, including a change in control, the plan administrator may provide for (i) either the replacement of outstanding rights with other rights or property or termination of outstanding rights in exchange for cash, (ii) the assumption or substitution of outstanding rights by the successor or survivor corporation or parent or subsidiary thereof, if any, (iii) an adjustment to the number and type of shares of stock subject to outstanding rights, (iv) the use of participants' accumulated payroll deductions to purchase stock on a new purchase date prior to the next scheduled purchase date and termination of any rights under ongoing offering periods or (v) the termination of all outstanding rights.

### *Plan Amendment*

The plan administrator may amend, suspend or terminate the ESPP at any time. However, stockholder approval will be obtained for any amendment that increases the aggregate number or changes the type of shares that may be sold pursuant to rights under the ESPP or changes the corporations or classes of corporations whose employees are eligible to participate in the ESPP.

### *Omnibus Incentive Plan*

In order to incentivize our employees following the completion of this offering, we anticipate that our Board will adopt the 2021 Omnibus Incentive Plan (the "2021 Plan"), for the benefit of employees, consultants and directors prior to the completion of this offering. This summary is not a complete description of all of the provisions of the 2021 Plan and is qualified in its entirety by reference to the 2021 Plan, a copy of which will be filed as an exhibit to the registration statement of which this prospectus forms a part. Our Named Executive Officers will be eligible to participate in the 2021 Plan, which we expect will become effective upon the consummation of this offering. We anticipate that the 2021 Plan will provide for the grant of options, stock appreciation rights, restricted stock, restricted stock units, stock awards, dividend equivalents, other stock-based awards, cash awards and substitute awards intended to align the interests of service providers, including our Named Executive Officers, with those of our shareholders.

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### *Securities to be Offered*

Subject to adjustment in the event of certain transactions or changes of capitalization in accordance with the 2021 Plan, a certain number of shares of common stock will initially be reserved for issuance pursuant to awards under the 2021 Plan. The total number of shares reserved for issuance under the 2021 Plan may be issued pursuant to incentive options. Shares of common stock subject to an award that expires or is canceled, forfeited, exchanged, settled in cash or otherwise terminated without delivery of shares and shares withheld to pay the exercise price of, or to satisfy the withholding obligations with respect to, an award will again be available for delivery pursuant to other awards under the 2021 Plan.

The total number of shares reserved for issuance under the 2021 Plan will be increased on January 1 of each of the first 10 calendar years during the term of the 2021 Plan, by the lesser of (i) % of the total number of shares of common stock outstanding on each December 31 immediately prior to the date of increase or (ii) such number of shares of common stock determined by our Board or compensation committee.

### *Administration*

The 2021 Plan will be administered by our Board, except to the extent our Board elects a committee of directors to administer the 2021 Plan (as applicable, the “Administrator”). The Administrator has broad discretion to administer the 2021 Plan, including the power to determine the eligible individuals to whom awards will be granted, the number and type of awards to be granted and the terms and conditions of awards. The Administrator may also accelerate the vesting or exercise of any award and make all other determinations and to take all other actions necessary or advisable for the administration of the 2021 Plan. To the extent the Administrator is not our Board, our Board will retain the authority to take all actions permitted by the Administrator under the 2021 Plan.

### *Eligibility*

Our employees, consultants and non-employee directors, and employees, consultants and non-employee directors of our affiliates, will be eligible to receive awards under the 2021 Plan.

### *Non-Employee Director Compensation Limits*

Under the 2021 Plan, in a single calendar year, a non-employee director may not be granted awards for such individual’s service on our Board having a value in excess of \$ . Additional awards may be granted for any calendar year in which a non-employee director first becomes a director, serves on a special committee of our Board, or serves as lead director. This limit does not apply to cash fees or awards granted in lieu of cash fees.

### *Types of Awards*

*Options.* We may grant options to eligible persons, except that incentive options may only be granted to persons who are our employees or employees of one of our subsidiaries, in accordance with Section 422 of the Code. The exercise price of an option generally cannot be less than 100% of the fair market value of a share of common stock on the date on which the option is granted and the option must not be exercisable for longer than ten years following the date of grant. In the case of an incentive option granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our equity securities, the exercise price of the option must be at least 110% of the fair market value of a share of common stock on the date of grant and the option must not be exercisable more than five years from the date of grant.

*Stock Appreciation Right (“SAR”).* A SAR is the right to receive an amount equal to the excess of the fair market value of one share of common stock on the date of exercise over the grant price of the SAR. The grant price of a SAR generally cannot be less than 100% of the fair market value of a share of common stock on the date on which the SAR is granted. The term of a SAR may not exceed ten years. SARs may be granted in



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connection with, or independent of, other awards. The Administrator will have the discretion to determine other terms and conditions of an SAR award.

*Restricted Stock Awards.* A restricted stock award is a grant of shares of common stock subject to the restrictions on transferability and risk of forfeiture imposed by the Administrator. Unless otherwise determined by the Administrator and specified in the applicable award agreement, the holder of a restricted stock award will have rights as a shareholder, including the right to vote the shares of common stock subject to the restricted share award or to receive dividends on the shares of common stock subject to the restricted stock award during the restriction period. In the discretion of the Administrator, dividends distributed prior to vesting may be subject to the same restrictions and risk of forfeiture as the restricted shares with respect to which the distribution was made.

*Restricted Stock Units (“RSU”).* An RSU is a right to receive cash, shares of common stock or a combination of cash and shares of common stock at the end of a specified period equal to the fair market value of one share of common stock on the date of vesting. RSUs may be subject to the restrictions, including a risk of forfeiture, imposed by the Administrator.

*Share awards.* A share award is a transfer of unrestricted shares of common stock on terms and conditions, if any, determined by the Administrator.

*Dividend Equivalents.* Dividend equivalents entitle a participant to receive cash, shares of common stock, other awards or other property equal in value to dividends or other distributions paid with respect to a specified number of shares of common stock. Dividend equivalents may be granted on a free-standing basis or in connection with another award (other than a restricted share award or a share award).

*Other Stock-Based Awards.* Other stock-based awards are awards denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, the value of our shares of common stock.

*Cash Awards.* Cash awards may be granted on a free-standing basis or as an element of, a supplement to, or in lieu of any other award.

*Substitute Awards.* Awards may be granted in substitution or exchange for any other award granted under the 2021 Plan or under another equity incentive plan or any other right of an eligible person to receive payment from us. Awards may also be granted under the 2021 Plan in substitution for similar awards held for individuals who become participants as a result of a merger, consolidation or acquisition of another entity by or with us or one of our affiliates.

### *Certain Transactions*

If any change is made to our capitalization, such as a share split, share combination, share dividend, exchange of shares or other recapitalization, merger or otherwise, which results in an increase or decrease in the number of outstanding shares of common stock, appropriate adjustments will be made by the Administrator in the shares subject to an award under the 2021 Plan. The Administrator will also have the discretion to make certain adjustments to awards in the event of a change in control, such as accelerating the vesting or exercisability of awards, requiring the surrender of an award, with or without consideration, or making any other adjustment or modification to the award that the Administrator determines is appropriate in light of such transaction.

### *Clawback*

All awards granted under the 2021 Plan will be subject to reduction, cancellation or recoupment under any written clawback policy that we may adopt and that we determine should apply to awards under the 2021 Plan.

*Plan Amendment and Termination*

Our Administrator may amend or terminate any award, award agreement or the 2021 Plan at any time; however, shareholder approval will be required for any amendment to the extent necessary to comply with applicable law or exchange listing standards. The Administrator will not have the authority, without the approval of shareholders, to amend any outstanding option or share appreciation right to reduce its exercise price per share. The 2021 Plan will remain in effect for a period of 10 years (unless earlier terminated by our Board).

**Non-Employee Director Compensation**

The following table presents the total compensation for each person who served as a non-employee member of our Board during 2020. Other than as set forth in the table and described more fully below, we did not pay any compensation, reimburse any expense of, make any equity awards or non-equity awards to, or pay any other compensation to any of, the other non-employee members of our Board in 2020.

Name	Fees earned or paid in cash (\$)(1)	Total (\$)
Bill Wise	100,000	100,000
Otto Berks	100,000	100,000

(1) Messrs. Wise and Berks received cash Board fees of \$25,000 per quarterly meeting.

**Non-Employee Director Compensation Policy**

We do not currently have a formal policy with respect to compensating our non-employee directors for service as directors. Following the consummation of this offering, we anticipate that directors who are not also officers or employees of the Company will receive compensation for their service on our Board and committees thereof. The amount and form of such compensation has not yet been determined. Each non-employee director will be reimbursed for out-of-pocket expenses incurred in connection with attending Board and committee meetings.

**PRINCIPAL SHAREHOLDERS**

The following table sets forth information about the beneficial ownership of our common stock as of \_\_\_\_\_, 2021 and as adjusted to reflect the completion of the Corporate Conversion and sale of the common stock in this offering, for

- each person or group known to us who beneficially owns more than 5% of our common stock immediately prior to this offering;
- each of our directors;
- each of our Named Executive Officers; and
- all of our directors and executive officers as a group.

Each shareholder’s percentage ownership before the offering is based on common stock outstanding as of \_\_\_\_\_, after giving effect to the Corporate Conversion. Each shareholder’s percentage ownership after the offering is based on common stock outstanding immediately after the completion of this offering. We have granted the underwriters an option to purchase up to \_\_\_\_\_ additional shares of common stock.

Beneficial ownership for the purposes of the following table is determined in accordance with the rules and regulations of the SEC. These rules generally provide that a person is the beneficial owner of securities if such person has or shares the power to vote or direct the voting thereof, or to dispose or direct the disposition thereof or has the right to acquire such powers within 60 days. Common stock subject to options that are currently exercisable or exercisable within 60 days of \_\_\_\_\_, 2021 are deemed to be outstanding and beneficially owned by the person holding the options. These shares, however, are not deemed outstanding for the purposes of computing the percentage ownership of any other person. Except as disclosed in the footnotes to this table and subject to applicable community property laws, we believe that each shareholder identified in the table possesses sole voting and investment power over all common stock shown as beneficially owned by the shareholder.

Unless otherwise noted below, the address of each beneficial owner listed on the table is c/o 95 Morton St. 8th Floor, New York, NY 10014. Beneficial ownership representing less than 1% is denoted with an asterisk (\*).

Name of Beneficial Owner	Shares Beneficially Owned Prior to this Offering		Shares Beneficially Owned After this Offering		
	Number of Shares	Percentage	Number of Shares	No Exercise of Underwriters’ Option Percentage	Full Exercise of Underwriters’ Option Percentage
<b>5% Stockholders:</b>					
Vista Funds(1)		%			%
Atlas Venture Fund VIII, L.P.(2)					
Sapphire Ventures Fund II, LP(3)					
<b>Directors and Named Executive Officers:</b>					
Lisa Utzschneider					
Joseph Pergola					
Tom Sharma					
Michael Fosnaugh					
Rod Alibadi					
Martin Taylor					
Brooke Nakatsukasa					
Bridgette Heller					
Jill Putman					
Otto Berkes					
Christina Lema					
<b>Directors and executive officers as a group (11 individuals)</b>					

- (1) Represents shares held directly by Vista Equity Partners Fund VI, L.P. (“VEPF VI”), shares held directly by Vista Equity Partners Fund VI-A, L.P. (“VEPF VI-A”), and shares held directly by VEPF VI FAF, L.P. (“FAF,” and collectively with VEPF VI and VEPF VI-A, the “Vista Funds”). Vista Equity Partners Fund VI GP, L.P. (“Fund VI GP”) is the sole general partner of each of VEPF VI, VEPF VI-A and FAF. Fund VI GP’s sole general partner is VEPF VI GP, Ltd. (“Fund VI UGP”). Robert F. Smith is the sole director and one of 11 members of Fund VI UGP. VEPF Management, L.P. (“Management Company”) is the sole management company of each of the Vista Funds. The Management Company’s sole general partner is VEP Group, LLC (“VEP Group”), and the Management Company’s sole limited partner is Vista Equity Partners Management, LLC (“VEPM”). VEP Group is the Senior Managing Member of VEPM. Robert F. Smith is the sole Managing Member of VEP Group. Consequently, Mr. Smith, Fund VI GP, Fund VI UGP, the Management Company, VEPM and VEP Group may be deemed the beneficial owners of the shares held by the Vista Funds. The principal business address of each of the Vista Funds, Fund VI GP, Fund VI UGP, the Management Company, VEPM and VEP Group is c/o Vista Equity Partners, 4 Embarcadero Center, 20th Fl., San Francisco, California 94111. The principal business address of Mr. Smith is c/o Vista Equity Partners, 401 Congress Drive, Suite 3100, Austin, Texas 78701.
- (2) Represents shares held directly by Atlas Venture Fund VIII, L.P. (“Atlas VIII”). Atlas Venture Associates VIII, L.P. (“AVA VIII LP”) is the sole general partner of Atlas VIII. Atlas Venture Associates VIII, Inc. (“AVA VIII Inc.”) is the sole general partner of AVA VIII LP and its four directors are Jeff Fagnan, Peter Barrett, Jean-Francois Formela and Bruce Booth, who may act by majority. Each of Atlas VIII, AVAI VIII LP and AVA VIII Inc. disclaim beneficial ownership of all shares except to the extent of its pecuniary interest, if any, therein. The business address of each of Atlas VIII, AVA VIII LP and AVA VIII Inc. is 56 Wareham Street, Floor 3, Boston, MA 02118.
- (3) Represents shares held directly by Sapphire Ventures Fund II, L.P. (“SAP LP”) and shares held directly by Sapphire SAP HANA Fund of Funds, LP (“HANA LP”). Sapphire Ventures (GPE) II, L.L.C. (“SAP GP”) is the general partner of Sapphire Ventures Fund II, L.P. (“SAP LP”). Nino N. Marakovic, Richard Douglas Higgins, Jayendra Das, David A. Hartwig and Andreas Weiskam are the managing members of SAP GP. Sapphire SAP HANA Fund of Funds (GPE), L.L.C. (“HANA GP”) is the general partner of Sapphire SAP HANA Fund of Funds, LP (“HANA LP”). Nino N. Marakovic, Elizabeth AE Clarkson, Richard Douglas Higgins, Jayendra Das, David A. Hartwig and Andreas Weiskam are the managing members of HANA GP. The managing members of SAP GP and HANA GP may be deemed to share voting and investment power with respect to the shares held by SAP LP and HANA LP, respectively. The mailing address of each of the entities identified in this footnote is 801 W. 5th St., Suite 100, Austin, TX 78703. The managing members each disclaim beneficial ownership of the securities reported herein, except to the extent of his or her pecuniary interest therein.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

### **Policies for Approval of Related Party Transactions**

Prior to completion of this offering, we intend to adopt a policy with respect to the review, approval and ratification of related party transactions. Under the policy, our Audit Committee is responsible for reviewing and approving related person transactions. In the course of its review and approval of related party transactions, our Audit Committee will consider the relevant facts and circumstances to decide whether to approve such transactions. In particular, our policy requires our Audit Committee to consider, among other factors it deems appropriate:

- the related person's relationship to us and interest in the transaction;
- the material facts of the proposed transaction, including the proposed aggregate value of the transaction;
- the impact on a director's independence in the event the related person is a director or an immediate family member of the director;
- the benefits to us of the proposed transaction;
- if applicable, the availability of other sources of comparable products or services; and
- an assessment of whether the proposed transaction is on terms that are comparable to the terms available to an unrelated third party or to employees generally.

The Audit Committee may only approve those transactions that are in, or are not inconsistent with, our best interests and those of our shareholders, as the Audit Committee determines in good faith.

In addition, under our code of business conduct and ethics, which will be adopted prior to the consummation of this offering, our employees, and directors will have an affirmative responsibility to disclose any transaction or relationship that reasonably could be expected to give rise to a conflict of interest.

All of the transactions described below were entered into prior to the adoption of the Company's written related party transactions policy (which policy will be adopted prior to the consummation of this offering), but all were approved by our Board considering similar factors to those described above.

### **Related Party Transactions**

Other than compensation arrangements for our directors and named executive officers, which are described in the section entitled "Executive Compensation," below we describe transactions since January 1, 2018 to which we were a participant or will be a participant, in which:

- the amounts involved exceeded or will exceed \$120,000; and
- any of our directors, executive officers, or holders of more than 5% of our capital stock, or any member of the immediate family of, or person sharing the household with, the foregoing persons, had or will have a direct or indirect material interest.

### ***Director Nomination Agreement***

In connection with this offering, we will enter into a Director Nomination Agreement with Vista that provides Vista the right to designate nominees for election to our Board for so long as Vista beneficially owns 5% or more of the total number of shares of our common stock that it owns as of the completion of this offering. Vista may also assign its designation rights under the Director Nomination Agreement to an affiliate.

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The Director Nomination Agreement will provide Vista the right to designate: (i) all of the nominees for election to our Board for so long as Vista beneficially owns 40% or more of the total number of shares of our common stock beneficially owned by Vista upon completion of this offering, as adjusted for any reorganization, recapitalization, stock dividend, stock split, reverse stock split, or similar changes in the Company's capitalization, or such amount of shares, as adjusted, the Original Amount; (ii) a number of directors (rounded up to the nearest whole number) equal to 40% of the total directors for so long as Vista beneficially owns at least 30% and less than 40% of the Original Amount; (iii) a number of directors (rounded up to the nearest whole number) equal to 30% of the total directors for so long as Vista beneficially owns at least 20% and less than 30% of the Original Amount; (iv) a number of directors (rounded up to the nearest whole number) equal to 20% of the total directors for so long as Vista beneficially owns at least 10% and less than 20% of the Original Amount; and (v) one director for so long as Vista beneficially owns at least 5% and less than 10% of the Original Amount. In each case, Vista's nominees must comply with applicable law and stock exchange rules. In addition, Vista shall be entitled to designate the replacement for any of its board designees whose board service terminates prior to the end of the director's term regardless of Vista's beneficial ownership at such time. Vista shall also have the right to have its designees participate on committees of our Board proportionate to its stock ownership, subject to compliance with applicable law and stock exchange rules. The Director Nomination Agreement will also prohibit us from increasing or decreasing the size of our Board without the prior written consent of Vista. This agreement will terminate at such time as Vista owns less than 5% of the Original Amount.

### ***Registration Rights Agreement***

In connection with this offering, we intend to enter into a registration rights agreement with Vista. Vista will be entitled to request that we register Vista's shares on a long-form or short-form registration statement on one or more occasions in the future, which registrations may be "shelf registrations." Vista will also be entitled to participate in certain of our registered offerings, subject to the restrictions in the registration rights agreement. We will pay Vista's expenses in connection with Vista's exercise of these rights. The registration rights described in this paragraph apply to (i) shares of our common stock held by Vista and its affiliates and (ii) any of our capital stock (or that of our subsidiaries) issued or issuable with respect to the common stock described in clause (i) with respect to any dividend, distribution, recapitalization, reorganization, or certain other corporate transactions ("Registrable Securities"). These registration rights are also for the benefit of any subsequent holder of Registrable Securities; provided that any particular securities will cease to be Registrable Securities when they have been sold in a registered public offering, sold in compliance with Rule 144 of the Securities Act, or repurchased by us or our subsidiaries. In addition, with the consent of the company and holders of a majority of Registrable Securities, any Registrable Securities held by a person other than Vista and its affiliates will cease to be Registrable Securities if they can be sold without limitation under Rule 144 of the Securities Act.

### ***Indemnification of Officers and Directors***

Upon completion of this offering, we intend to enter into indemnification agreements with each of our executive officers and directors. The indemnification agreements will provide the executive officers and directors with contractual rights to indemnification, expense advancement and reimbursement, to the fullest extent permitted under the DGCL. Additionally, we may enter into indemnification agreements with any new directors or officers that may be broader in scope than the specific indemnification provisions contained in Delaware law.

### ***Management Agreement***

We entered into a management agreement with Vista Equity Partners Management ("VEPM"), pursuant to which VEPM was retained to provide us with certain management and consulting services. We agreed to indemnify VEPM against liabilities that may arise by reason of their service. We reimburse VEPM for any out-of-pocket costs and expenses, and have recorded expenses under the management agreement of \$0.04 million, \$0.04 million and \$0.1 million for the years ended December 31, 2018, 2019 and 2020, respectively. The management agreement will terminate at no additional cost to us in connection with the completion of this offering.

***Consulting Agreement***

We have used Vista Consulting Group, LLC (“VCG”), the operating and consulting arm of Vista, for consulting services, and have also reimbursed VCG for expenses related to participation by our employees in VCG sponsored events and for software and professional services centrally managed and administered by VCG and utilized by us, and also paid to VCG related fees and expenses. We paid VCG \$0.9 million, \$2.4 million, and \$0.9 million for the years ended December 31, 2018, 2019, and 2020, respectively. Following this offering, we may continue to engage VCG from time to time, subject to compliance with our related party transactions policy.

***Agreement with MediaOcean***

We have subscription software arrangements with companies owned by Vista, including MediaOcean. We paid MediaOcean \$0.05 million, \$0.18 million, and \$0.12 million for the years ended December 31, 2018, 2019, and 2020, respectively, to support an integration of our data into the Prisma system at MediaOcean. Following this offering, we may continue to engage MediaOcean for subscription software services, subject to compliance with our related party transactions policy.

## DESCRIPTION OF CERTAIN INDEBTEDNESS

Set forth below is a summary of the terms of the Credit Agreement governing certain of our outstanding indebtedness. This summary is not a complete description of all of the terms of the Credit Agreement. The Credit Agreement setting forth the terms and conditions of certain of our outstanding indebtedness is filed as an exhibit to the registration statement of which this prospectus forms a part.

### Senior Secured Credit Agreement

On July 19, 2018, Integral Ad Science, Inc., as borrower, Kavacha Intermediate, LLC (“Holdings”), as a guarantor, each of the other guarantors party thereto, each of which are wholly-owned subsidiaries of ours, entered into the \$325.0 million Credit Agreement with a syndicate of lenders and Goldman Sachs BDC, Inc. (“the Administrative Agent”), as Administrative Agent and Collateral Agent, comprised of the \$25.0 million Revolving Credit Facility and \$325.0 million Term Loan Facility. Pursuant to the Credit Agreement Amendment, the Term Loan Facility was increased to \$345.0 million. A portion of the proceeds from the borrowings under the Credit Agreement were used to fund the Vista acquisition of us and a portion of the incremental term loans funded pursuant to the Credit Agreement Amendment were used to fund the acquisition of ADmantX S.p.A. As of March 31, 2021, we had outstanding debt of \$355.9 million under our Term Loan Facility and no amounts were drawn under our Revolving Credit Facility. As of March 31, 2021, the interest rate on our Term Loan Facility and Revolving Credit Facility was 7.0%.

### Interest Rates and Fees

In addition to the cash pay interest described below, the Credit Agreement includes Paid in Kind (“PIK”) interest which bears an interest rate of 1.25% per annum. All PIK interest due is paid by capitalizing such interest and adding such applicable PIK interest to the principal amount of the outstanding Term Loan. Borrowings under the Credit Agreement bear interest (cash pay) at a rate per annum, at the borrower’s option, equal to an applicable margin, plus, (a) for alternate base rate borrowings, the highest of (i) the rate last quoted by The Wall Street Journal as the “prime rate” in the United States, (ii) the Federal Funds Rate in effect on such day plus 1/2 of 1.00%, and (iii) the Adjusted LIBOR for a one month interest period on such day plus 1.00% and (b) for eurodollar borrowings, the Adjusted LIBOR determined by the greater of (i) the LIBOR for the relevant interest period divided by 1 minus the statutory reserves (if any) and (ii) 1.00%. As of March 31, 2021, and subject to maintaining a total leverage ratio less than 6.50 to 1.00, additional PIK interest will not accrue pursuant to the Credit Agreement.

The applicable margin for borrowings under the Credit Agreement is (a) for alternate base rate borrowings, (i) 5.00% so long as the total leverage ratio is greater than 6.50 to 1.00, (ii) 4.50% so long as the total leverage ratio is less than or equal to 6.50 to 1.00 and greater than 5.75 to 1.00 or (iii) 4.00% so long as the total leverage ratio is less or equal to 5.75 to 1.00 and (b) for eurodollar borrowings, (i) 6.00% so long as the total leverage ratio is greater than 6.50 to 1.00, (ii) 5.50% so long as the total leverage ratio is less than or equal to 6.50 to 1.00 and greater than 5.75 to 1.00, or (iii) 5.00% so long as the total leverage ratio is less or equal to 5.75 to 1.00.

The borrower is also required to pay a commitment fee on the average daily undrawn portion of the Revolving Credit Facility of 0.375%-0.50% per annum (varying based on the leverage ratio tiers applicable to the applicable margin described above), a letter of credit fronting fee of 0.125% per annum and a letter of credit participation fee equal to the applicable margin for eurodollar revolving loans on the actual daily amount of the letter of credit exposure.

### Voluntary Prepayments

The borrower may voluntarily prepay outstanding loans under the Credit Agreement (i) subject to a 0.75% premium with respect to prepayments made on or after the second anniversary of the closing date but prior to the third anniversary of the closing date (subject to certain exclusions) and (ii) on or after the third anniversary of the closing date, without premium or penalty, subject to certain notice and priority requirements.



### ***Mandatory Prepayments***

The Credit Agreement requires the borrower to prepay, subject to certain exceptions, the Term Loan Facility with:

- commencing with the fiscal year ending on December 31, 2019, 50% of excess cash flow for the fiscal year then ended, minus, at the borrower's option, certain optional prepayments and permitted assignments of indebtedness, to the extent such amount is above a threshold amount and subject to step downs to (i) 25% when total leverage ratio is less than or equal to 6.50 to 1.00 but greater than 5.50 to 1.00, and (ii) 0% when total leverage ratio is less than or equal to 5.50 to 1.00;
- 100% of the net cash proceeds of certain asset sales or casualty events above a threshold amount, subject to reinvestment rights and other exceptions; and
- 100% of the net cash proceeds of any issuance or incurrence of debt other than debt permitted under the Credit Agreement.

### ***Final Maturity and Amortization***

The Term Loan Facility and Revolving Credit Facility will mature on July 19, 2024 and July 19, 2023, respectively. Neither of the Term Loan Facility nor the Revolving Credit Facility amortize.

### ***Guarantors***

All obligations under the Credit Agreement are unconditionally guaranteed by Holdings, and substantially all of its existing and future direct and indirect wholly-owned domestic subsidiaries, other than certain excluded subsidiaries.

### ***Security***

All obligations under the Credit Agreement are secured, subject to permitted liens and other exceptions, by first-priority perfected security interests in substantially all of the borrower's and the guarantors' assets.

### ***Certain Covenants, Representations and Warranties***

The Credit Agreement contains customary representations and warranties, affirmative covenants, reporting obligations and negative covenants. The negative covenants restrict Integral Ad Science, Inc. and its subsidiaries' ability (and, with respect to certain of the affirmative covenants and negative covenants, Holdings' and Kavacha Holdings, Inc.'s, ("Intermediate Holdings")), among other things, to (subject to certain exceptions set forth in the Credit Agreement):

- incur additional indebtedness or other contingent obligations;
- create liens;
- make investments, acquisitions, loans, and advances;
- consolidate, merge, liquidate, or dissolve;
- sell, transfer, or otherwise dispose of its assets, including capital stock of its subsidiaries;
- pay dividends on its equity interests or make other payments in respect of capital stock;
- engage in transactions with its affiliates;
- make payments in respect of subordinated debt;
- modify organizational documents in a manner that is materially adverse to the lenders under the Credit Agreement;

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- with respect to Holdings and Intermediate Holdings, modify their holding company status;
- enter into burdensome agreements with negative pledge clauses or restrictions on subsidiary distributions;
- materially alter the business it conducts; and
- change its fiscal year.

### ***Financial Covenants***

The Credit Agreement requires the credit parties to maintain a last twelve months recurring revenue leverage ratio (as calculated pursuant to the Credit Agreement) of 1.60:1.00, 1.55:1.00, and 1.50:1.00 for the test periods ended December 31, 2020, March 31, 2021, and June 30, 2021, respectively, subject to a fall-away following the June 30, 2021 test period.

In addition, the Credit Agreement requires the credit parties to maintain a total leverage ratio (as calculated pursuant to the Credit Agreement) as follows:

<b>Test Period Ended</b>	<b>Total Leverage Ratio</b>
September 30, 2021	8.30:1.00
December 31, 2021	7.60:1.00
March 31, 2022	7.35:1.00
June 30, 2022	7.05:1.00
September 30, 2022	6.70:1.00
December 31, 2022	6.25:1.00
March 31, 2023	6.10:1.00
June 30, 2023	5.90:1.00
September 30, 2023	5.65:1.00
December 31, 2023	5.30:1.00
March 31, 2024	3.65:1.00
June 30, 2024	3.25:1.00

In addition, until the fiscal quarter ended June 30, 2021, the credit parties must maintain liquidity (as calculated pursuant to the Credit Agreement) as of the last day of each fiscal quarter of Holdings of at least \$7,500,000.

### ***Events of Default***

The lenders under the Credit Agreement are permitted to accelerate the loans and terminate commitments thereunder or exercise other remedies upon the occurrence of certain customary events of default, including default with respect to financial and other covenants, subject to certain grace periods and exceptions. These events of default include, among others, payment defaults, cross-defaults to certain material indebtedness, covenant defaults, material inaccuracy of representations and warranties, certain events of bankruptcy, material judgments, material defects with respect to lenders' perfection on the collateral, and changes of control, none of which are expected to be triggered by this offering.

## DESCRIPTION OF CAPITAL STOCK

### General

Upon completion of this offering, our authorized capital stock will consist of 500,000,000 shares of common stock, par value \$0.001 per share, and 50,000,000 shares of undesignated preferred stock, par value \$0.001 per share. As of \_\_\_\_\_, 2021, we had \_\_\_\_\_ shares of common stock outstanding held by \_\_\_\_\_ shareholders of record and no shares of preferred stock outstanding, \_\_\_\_\_ shares of common stock issuable upon exercise of outstanding stock options, assuming the completion of the Corporate Conversion, which will be effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, and the effectiveness of our amended and restated certificate of incorporation upon the completion of this offering. After consummation of this offering and the use of proceeds therefrom, we expect to have \_\_\_\_\_ shares of our common stock outstanding, assuming no exercise by the underwriters of their option to purchase additional shares, and expect to have no shares of preferred stock outstanding. The following description of our capital stock is intended as a summary only and is qualified in its entirety by reference to our certificate of incorporation and bylaws to be in effect at the closing of this offering, which are filed as exhibits to the registration statement of which this prospectus forms a part, and to the applicable provisions of the DGCL.

### Common Stock

#### *Dividend Rights*

Subject to preferences that may apply to shares of preferred stock outstanding at the time, holders of outstanding shares of common stock will be entitled to receive dividends out of assets legally available at the times and in the amounts as our Board may determine from time to time.

#### *Voting Rights*

Each outstanding share of common stock will be entitled to one vote on all matters submitted to a vote of shareholders. Holders of shares of our common stock shall have no cumulative voting rights.

#### *Preemptive Rights*

Our common stock will not be entitled to preemptive or other similar subscription rights to purchase any of our securities.

#### *Conversion or Redemption Rights*

Our common stock will be neither convertible nor redeemable.

#### *Liquidation Rights*

Upon our liquidation, the holders of our common stock will be entitled to receive pro rata our assets that are legally available for distribution, after payment of all debts and other liabilities and subject to the prior rights of any holders of preferred stock then outstanding.

### Preferred Stock

Our Board may, without further action by our shareholders, from time to time, direct the issuance of shares of preferred stock in series and may, at the time of issuance, determine the designations, powers, preferences, privileges, and relative participating, optional or special rights as well as the qualifications, limitations, or restrictions thereof, including dividend rights, conversion rights, voting rights, terms of redemption, and

liquidation preferences, any or all of which may be greater than the rights of the common stock. Satisfaction of any dividend preferences of outstanding shares of preferred stock would reduce the amount of funds available for the payment of dividends on shares of our common stock. Holders of shares of preferred stock may be entitled to receive a preference payment in the event of our liquidation before any payment is made to the holders of shares of our common stock. Under certain circumstances, the issuance of shares of preferred stock may render more difficult or tend to discourage a merger, tender offer or proxy contest, the assumption of control by a holder of a large block of our securities or the removal of incumbent management. Upon the affirmative vote of a majority of the total number of directors then in office, our Board, without shareholder approval, may issue shares of preferred stock with voting and conversion rights which could adversely affect the holders of shares of our common stock and the market value of our common stock.

### **Anti-Takeover Effects of Our Certificate of Incorporation and Our Bylaws**

Our certificate of incorporation, bylaws and the DGCL will contain provisions, which are summarized in the following paragraphs that are intended to enhance the likelihood of continuity and stability in the composition of our Board. These provisions are intended to avoid costly takeover battles, reduce our vulnerability to a hostile change of control and enhance the ability of our Board to maximize shareholder value in connection with any unsolicited offer to acquire us. However, these provisions may have an anti-takeover effect and may delay, deter, or prevent a merger or acquisition of the Company by means of a tender offer, a proxy contest or other takeover attempt that a shareholder might consider in its best interest, including those attempts that might result in a premium over the prevailing market price for the shares of common stock held by shareholders.

These provisions include:

#### ***Classified Board***

Our certificate of incorporation will provide that our Board will be divided into three classes of directors, with the classes as nearly equal in number as possible, and with the directors serving three-year terms. As a result, approximately one-third of our Board will be elected each year. The classification of directors will have the effect of making it more difficult for shareholders to change the composition of our Board. Our certificate of incorporation will also provide that, subject to any rights of holders of preferred stock to elect additional directors under specified circumstances, the number of directors will be fixed exclusively pursuant to a resolution adopted by our Board. Upon completion of this offering, we expect that our Board will have nine members.

#### ***Shareholder Action by Written Consent***

Our certificate of incorporation will preclude shareholder action by written consent at any time when Vista beneficially owns, in the aggregate, less than 35% in voting power of the stock of the Company entitled to vote generally in the election of directors.

#### ***Special Meetings of Shareholders***

Our certificate of incorporation and bylaws will provide that, except as required by law, special meetings of our shareholders may be called at any time only by or at the direction of our Board or the chairman of our Board; provided, however, at any time when Vista beneficially owns, in the aggregate, at least 35% in voting power of the stock of the Company entitled to vote generally in the election of directors, special meetings of our shareholders shall also be called by our Board or the chairman of our Board at the request of Vista. Our bylaws will prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. These provisions may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control or management of the Company.

### ***Advance Notice Procedures***

Our bylaws will establish an advance notice procedure for shareholder proposals to be brought before an annual meeting of our shareholders, including proposed nominations of persons for election to our Board; provided, however, at any time when Vista beneficially owns, in the aggregate, at least 10% in voting power of the stock of the Company entitled to vote generally in the election of directors, such advance notice procedure will not apply to Vista. Shareholders at an annual meeting will only be able to consider proposals or nominations specified in the notice of meeting or brought before the meeting by or at the direction of our Board or by a shareholder who was a shareholder of record on the record date for the meeting, who is entitled to vote at the meeting and who has given our Secretary timely written notice, in proper form, of the shareholder's intention to bring that business before the meeting. Although the bylaws will not give our Board the power to approve or disapprove shareholder nominations of candidates or proposals regarding other business to be conducted at a special or annual meeting, the bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of the Company. These provisions do not apply to nominations by Vista pursuant to the Director Nomination Agreement. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Director Nomination Agreement" for more details with respect to the Director Nomination Agreement.

### ***Removal of Directors; Vacancies***

Our certificate of incorporation will provide that directors may be removed with or without cause upon the affirmative vote of a majority in voting power of all outstanding shares of stock entitled to vote thereon, voting together as a single class; provided, however, at any time when Vista beneficially owns, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors, directors may only be removed for cause, and only by the affirmative vote of holders of at least 66 $\frac{2}{3}$ % in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class. In addition, our certificate of incorporation will provide that, subject to the rights granted to one or more series of preferred stock then outstanding, any newly created directorship on our Board that results from an increase in the number of directors and any vacancies on our Board will be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum, by a sole remaining director or by the shareholders; provided, however, at any time when Vista beneficially owns, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors, any newly created directorship on our Board that results from an increase in the number of directors and any vacancy occurring on our Board may only be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director (and not by the shareholders).

### ***Supermajority Approval Requirements***

Our certificate of incorporation and bylaws will provide that our Board is expressly authorized to make, alter, amend, change, add to, rescind, or repeal, in whole or in part, our bylaws without a shareholder vote in any matter not inconsistent with the laws of the State of Delaware and our certificate of incorporation. For as long as Vista beneficially owns, in the aggregate, at least 50% in voting power of the stock of the Company entitled to vote generally in the election of directors, any amendment, alteration, rescission, or repeal of our bylaws by our shareholders will require the affirmative vote of a majority in voting power of the outstanding shares of our stock entitled to vote on such amendment, alteration, change, addition, rescission, or repeal. At any time when Vista beneficially owns, in the aggregate, less than 50% in voting power of all outstanding shares of the stock of the Company entitled to vote generally in the election of directors, any amendment, alteration, rescission, or repeal of our bylaws by our shareholders will require the affirmative vote of the holders of at least 66 $\frac{2}{3}$ % in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class.

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The DGCL provides generally that the affirmative vote of a majority of the outstanding shares entitled to vote thereon, voting together as a single class, is required to amend a corporation's certificate of incorporation, unless the certificate of incorporation requires a greater percentage.

Our certificate of incorporation will provide that at any time when Vista beneficially owns, in the aggregate, less than 50% in voting power of the stock of the Company entitled to vote generally in the election of directors, the following provisions in our certificate of incorporation may be amended, altered, repealed or rescinded only by the affirmative vote of the holders of at least 66 $\frac{2}{3}$ % (as opposed to a majority threshold that would apply if Vista beneficially owns, in the aggregate, 50% or more) in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class:

- the provision requiring a 66 $\frac{2}{3}$ % supermajority vote for shareholders to amend our bylaws;
- the provisions providing for a classified board of directors (the election and term of our directors);
- the provisions regarding resignation and removal of directors;
- the provisions regarding entering into business combinations with interested shareholders;
- the provisions regarding shareholder action by written consent;
- the provisions regarding calling special meetings of shareholders;
- the provisions regarding filling vacancies on our Board and newly created directorships;
- the provision establishing the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation;
- the provision establishing the federal district courts of the United States as the exclusive forum for litigation arising under the Securities Act;
- the provisions eliminating monetary damages for breaches of fiduciary duty by a director; and
- the amendment provision requiring that the above provisions be amended only with a 66 $\frac{2}{3}$ % supermajority vote.

The combination of the classification of our Board, the lack of cumulative voting and the supermajority voting requirements will make it more difficult for our existing shareholders to replace our Board as well as for another party to obtain control of us by replacing our Board. Because our Board has the power to retain and discharge our officers, these provisions could also make it more difficult for existing shareholders or another party to effect a change in management.

### ***Authorized but Unissued Shares***

Our authorized but unissued shares of common stock and preferred stock will be available for future issuance without shareholder approval, subject to stock exchange rules. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. One of the effects of the existence of authorized but unissued common stock or preferred stock may be to enable our Board to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of the Company by means of a merger, tender offer, proxy contest, or otherwise, and thereby protect the continuity of our management and possibly deprive our shareholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

### ***Business Combinations***

Upon completion of this offering, we will not be subject to the provisions of Section 203 of the DGCL. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested shareholder" for a three-year period following the time that the person becomes an interested

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shareholder, unless the business combination is approved in a prescribed manner. A “business combination” includes, among other things, a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested shareholder. An “interested shareholder” is a person who, together with affiliates and associates, owns, or did own within three years prior to the determination of interested shareholder status, 15% or more of the corporation’s voting stock.

Under Section 203, a business combination between a corporation and an interested shareholder is prohibited unless it satisfies one of the following conditions: (1) before the shareholder became an interested shareholder, the board of directors approved either the business combination or the transaction which resulted in the shareholder becoming an interested shareholder; (2) upon consummation of the transaction which resulted in the shareholder becoming an interested shareholder, the interested shareholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances; or (3) at or after the time the shareholder became an interested shareholder, the business combination was approved by the board of directors and authorized at an annual or special meeting of the shareholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested shareholder.

A Delaware corporation may “opt out” of these provisions with an express provision in its original certificate of incorporation or an express provision in its certificate of incorporation or bylaws resulting from a shareholders’ amendment approved by at least a majority of the outstanding voting shares.

We will opt out of Section 203; however, our certificate of incorporation will contain similar provisions providing that we may not engage in certain “business combinations” with any “interested shareholder” for a three-year period following the time that the shareholder became an interested shareholder, unless:

- prior to such time, our Board approved either the business combination or the transaction which resulted in the shareholder becoming an interested shareholder;
- upon consummation of the transaction that resulted in the shareholder becoming an interested shareholder, the interested shareholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to that time, the business combination is approved by our Board and by the affirmative vote of holders of at least 66 $\frac{2}{3}$ % of our outstanding voting stock that is not owned by the interested shareholder.

Under certain circumstances, this provision will make it more difficult for a person who would be an “interested shareholder” to effect various business combinations with the Company for a three-year period. This provision may encourage companies interested in acquiring the Company to negotiate in advance with our Board because the shareholder approval requirement would be avoided if our Board approves either the business combination or the transaction which results in the shareholder becoming an interested shareholder. These provisions also may have the effect of preventing changes in our Board and may make it more difficult to accomplish transactions which shareholders may otherwise deem to be in their best interests.

Our certificate of incorporation will provide that Vista, and any of its direct or indirect transferees and any group as to which such persons are a party, do not constitute “interested shareholders” for purposes of this provision.

### **Dissenters’ Rights of Appraisal and Payment**

Under the DGCL, with certain exceptions, our shareholders will have appraisal rights in connection with a merger or consolidation of us. Pursuant to the DGCL, shareholders who properly request and perfect appraisal rights in connection with such merger or consolidation will have the right to receive payment of the fair value of their shares as determined by the Delaware Court of Chancery.

## **Shareholders' Derivative Actions**

Under the DGCL, any of our shareholders may bring an action in our name to procure a judgment in our favor, also known as a derivative action, provided that the shareholder bringing the action is a holder of our shares at the time of the transaction to which the action relates or such shareholder's stock thereafter devolved by operation of law.

## **Exclusive Forum**

Our certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the United States District Court for the District of Delaware) will be the sole and exclusive forum for any state court action for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our shareholders, (3) any action asserting a claim against the Company or any director or officer of the Company arising pursuant to any provision of the DGCL, our certificate of incorporation or our bylaws or (4) any other action asserting a claim against the Company or any director or officer of the Company that is governed by the internal affairs doctrine; provided that for the avoidance of doubt, the forum selection provision that identifies the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation, including any "derivative action," will not apply to suits to enforce a duty or liability created by the Securities Act, the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and to have consented to the provisions of our certificate of incorporation described above; provided, however, that stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. Although we believe these provisions benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may have the effect of discouraging lawsuits against us or our directors and officers. Additionally, the forum selection clause in our certificate of incorporation may limit our stockholders' ability to bring a claim in a forum that they find favorable for disputes with us or our directors, officers, employees, or agents, which may discourage such lawsuits against us and our directors, officers, employees, and agents even though an action, if successful, might benefit our stockholders. The Court of Chancery of the State of Delaware may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

Moreover, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all claims brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder and our amended and restated bylaws will provide that the federal district courts of the United States of America will, unless consented to in writing and to the fullest extent permitted by law, be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

See "—Our certificate of incorporation will designate the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our shareholders and the federal district courts of the United States as the exclusive forum for litigation arising under the Securities Act, which could limit our shareholders' ability to obtain a favorable judicial forum for disputes with us."



### **Conflicts of Interest**

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors, or shareholders. Our certificate of incorporation will, to the maximum extent permitted from time to time by Delaware law, renounce any interest or expectancy that we have in, or right to be offered an opportunity to participate in, specified business opportunities that are from time to time presented to certain of our officers, directors or shareholders or their respective affiliates, other than those officers, directors, shareholders, or affiliates who are our or our subsidiaries' employees. Our certificate of incorporation will provide that, to the fullest extent permitted by law, none of Vista or any director who is not employed by us (including any non-employee director who serves as one of our officers in both his director and officer capacities) or his or her affiliates will have any duty to refrain from (1) engaging in a corporate opportunity in the same or similar lines of business in which we or our affiliates now engage or propose to engage or (2) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that Vista or any non-employee director acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself or himself or its or his affiliates or for us or our affiliates, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and they may take any such opportunity for themselves or offer it to another person or entity. Our certificate of incorporation will not renounce our interest in any business opportunity that is expressly offered to a non-employee director solely in his or her capacity as a director or officer of the Company. To the fullest extent permitted by law, no business opportunity will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under our certificate of incorporation, we have sufficient financial resources to undertake the opportunity, and the opportunity would be in line with our business.

### **Limitations on Liability and Indemnification of Officers and Directors**

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their shareholders for monetary damages for breaches of directors' fiduciary duties, subject to certain exceptions. Our certificate of incorporation will include a provision that eliminates the personal liability of directors for monetary damages for any breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL. The effect of these provisions will be to eliminate the rights of us and our shareholders, through shareholders' derivative suits on our behalf, to recover monetary damages from a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior. However, exculpation will not apply to any director if the director has acted in bad faith, knowingly, or intentionally violated the law, authorized illegal dividends or redemptions or derived an improper benefit from his or her actions as a director.

Our bylaws will provide that we must indemnify and advance expenses to our directors and officers to the fullest extent authorized by the DGCL. We also will be expressly authorized to carry directors' and officers' liability insurance providing indemnification for our directors, officers and certain employees for some liabilities. We believe that these indemnification and advancement provisions and insurance will be useful to attract and retain qualified directors and officers.

The limitation of liability, indemnification and advancement provisions that will be included in our certificate of incorporation and bylaws may discourage shareholders from bringing a lawsuit against directors for breaches of their fiduciary duty. These provisions also may have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our shareholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

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**Transfer Agent and Registrar**

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC. The transfer agent's address is and its phone number is .

**Listing**

We have applied to list our common stock on the NASDAQ under the symbol "IAS."

## SHARES ELIGIBLE FOR FUTURE SALE

Before this offering, there has been no public market for our common stock. As described below, only a limited number of shares currently outstanding will be available for sale immediately after this offering due to contractual and legal restrictions on resale. Nevertheless, future sales of substantial amounts of our common stock, including shares issued upon the exercise of outstanding options, in the public market after this offering, or the perception that those sales may occur, could cause the prevailing market price for our common stock to fall or impair our ability to raise capital through sales of our equity securities.

Upon the closing of this offering, based on the number of shares of our common stock outstanding as of \_\_\_\_\_, 2021, we will have outstanding shares of our common stock, after giving effect to the issuance of shares of our common stock in this offering, assuming no exercise by the underwriters of their option to purchase additional shares.

Of the \_\_\_\_\_ shares that will be outstanding immediately after the closing of this offering, we expect that the shares to be sold in this offering will be freely tradable without restriction under the Securities Act unless purchased by our “affiliates,” as that term is defined in Rule 144 under the Securities Act. Shares purchased by our affiliates may not be resold except pursuant to an effective registration statement or an exemption from registration, including the safe harbor under Rule 144 of the Securities Act described below.

The remaining \_\_\_\_\_ shares of our common stock outstanding after this offering will be “restricted securities,” as that term is defined in Rule 144 of the Securities Act, and we expect that substantially all of these restricted securities will be subject to the lock-up agreements described below. These restricted securities may be sold in the public market only if the sale is registered or pursuant to an exemption from registration, such as Rule 144 or Rule 701 of the Securities Act, which are summarized below.

### Lock-up Agreements

We, each of our directors, executive officers and other shareholders and option holders owning substantially all of our common stock and options to acquire common stock, have agreed that, without the prior written consent of Morgan Stanley & Co. LLC on behalf of the underwriters, we and they will not, subject to limited exceptions, directly or indirectly sell or dispose of any shares of common stock or any securities convertible into or exchangeable or exercisable for shares of common stock for a period of 180 days after the date of this prospectus. The lock-up restrictions and specified exceptions are described in more detail under “Underwriting.”

Prior to the consummation of the offering, certain of our employees, including our executive officers, and/or directors may enter into written trading plans that are intended to comply with Rule 10b5-1 under the Exchange Act. Sales under these trading plans would not be permitted until the expiration of the lock-up agreements relating to the offering described above.

Following the lock-up periods set forth in the agreements described above, and assuming that the representatives of the underwriters do not release any parties from these agreements, all of the shares of our common stock that are restricted securities or are held by our affiliates as of the date of this prospectus will be eligible for sale in the public market in compliance with Rule 144 under the Securities Act.

### Registration Rights Agreement

Pursuant to the registration rights agreement, we have granted Vista the right to cause us, in certain instances, at our expense, to file registration statements under the Securities Act covering resales of our common stock held by Vista or to piggyback on registered offerings initiated by us in certain circumstances. See “Certain Relationships and Related Party Transactions—Related Party Transactions—Registration Rights Agreement.” These shares will represent \_\_\_\_\_ % of our outstanding common stock after this offering, or \_\_\_\_\_ % if the underwriters exercise their option to purchase additional shares in full.

#### **Rule 144**

In general, under Rule 144, beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act, any person who is not our affiliate, who was not our affiliate at any time during the preceding three months and who has held their shares for at least six months, including the holding period of any prior owner other than one of our affiliates, may sell shares without restriction, subject to the availability of current public information about us and subject to applicable lock-up restrictions. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than one of our affiliates, then that person would be entitled to sell those shares without complying with any of the requirements of Rule 144.

Beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act and subject to applicable lock-up restrictions, a person who is our affiliate or who was our affiliate at any time during the preceding three months and who has beneficially owned restricted securities for at least six months, including the holding period of any prior owner other than one of our affiliates, is entitled to sell a number of shares within any three-month period that does not exceed the greater of: (1) 1% of the number of shares of our common stock outstanding, which will equal approximately shares immediately after this offering; and (2) the average weekly trading volume of our common stock on during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales under Rule 144 by our affiliates are also subject to certain manner of sale provisions, notice requirements and to the availability of current public information about us.

#### **Rule 701**

In general, under Rule 701, any of our employees, directors or officers who acquired shares from us in connection with a compensatory stock or option plan or other compensatory written agreement before the effective date of this offering are, subject to applicable lock-up restrictions, eligible to resell such shares in reliance upon Rule 144 beginning 90 days after the date of this prospectus. If such person is not an affiliate and was not our affiliate at any time during the preceding three months, the sale may be made subject only to the manner-of-sale restrictions of Rule 144. If such a person is an affiliate, the sale may be made under Rule 144 without compliance with the holding period requirements under Rule 144, but subject to the other Rule 144 restrictions described above.

#### **Equity Incentive Plans**

Following this offering, we intend to file with the SEC a registration statement on Form S-8 under the Securities Act covering the shares of common stock that are subject to outstanding options and other awards issuable pursuant to our 2021 Plan. Shares covered by such registration statement will be available for sale in the open market following its effective date, subject to certain Rule 144 limitations applicable to affiliates and the terms of lock-up agreements applicable to those shares.

## MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following discussion is a summary of the material U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of the ownership and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws, are not discussed. This discussion is based on the Internal Revenue Code of 1986, as amended, or the Code, Treasury regulations promulgated thereunder, or Treasury Regulations, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the "IRS"), in each case as in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a Non-U.S. Holder of our common stock. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to those discussed below regarding the tax consequences of the ownership and disposition of our common stock.

This discussion is limited to Non-U.S. Holders that hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a Non-U.S. Holder's particular circumstances, including the impact of the alternative minimum tax, and Medicare contribution tax on net investment income. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special treatment under U.S. federal income tax laws, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons holding our common stock as part of a hedge, straddle, or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers, or certain electing traders in securities that use a mark-to-market method of tax accounting;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons that own, or are deemed to own, more than five percent of our capital stock (except to the extent specifically set forth below);
- "qualified foreign pension funds" (within the meaning of Section 897(1)(2)) of the Code and entities, all of the interests of which are held by qualified foreign pension funds; and
- tax-qualified retirement plans.

If any partnership or other entity or arrangement classified as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our common stock and partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

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THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY, AND IS ONLY A SUMMARY OF MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS ASSOCIATED WITH THE OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK, AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

### **Definition of a Non-U.S. Holder**

For purposes of this discussion, a “Non-U.S. Holder” is any beneficial owner of our common stock that is neither a “United States person” nor a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes. A United States person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation, or an entity treated as a corporation for U.S. federal income tax purposes, created or organized under the laws of the United States any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Code), or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

### **Distributions**

As described in the section entitled “Dividend Policy,” we do not anticipate declaring or paying dividends to holders of our common stock in the foreseeable future. However, if we do make distributions of cash or property on our common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a Non-U.S. Holder’s adjusted tax basis in its common stock, but not below zero. Any excess amount will be treated as capital gain and will be treated as described below under “Sale or Other Taxable Disposition.”

Subject to the discussion below on effectively connected income, backup withholding, and the Foreign Account Tax Compliance Act (“FATCA”), dividends paid to a Non-U.S. Holder of our common stock will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty, provided that the Non-U.S. Holder will be required to provide to the applicable withholding agent prior to the payment of dividends a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate) in order to avoid 30% withholding. A Non-U.S. Holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

If dividends paid to a Non-U.S. Holder are effectively connected with the Non-U.S. Holder’s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such dividends are attributable), the Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption

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from withholding, the Non-U.S. Holder must furnish to the applicable withholding agent a valid IRS Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

Any such effectively connected dividends will be subject to U.S. federal income tax on a net-income basis at the regular U.S. federal income tax rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include such effectively connected dividends. Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different treatment.

### **Sale or Other Taxable Disposition**

Subject to the discussion below on backup withholding and FATCA, a Non-U.S. Holder generally will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such gain is attributable);
- the Non-U.S. Holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our common stock constitutes a U.S. real property interest ("USRPI") by reason of our status as a U.S. real property holding corporation, or USRPHC, for U.S. federal income tax purposes at any time within the shorter of (1) the five-year period preceding the Non-U.S. Holder's disposition of our common stock and (2) the Non-U.S. Holder's holding period for our common stock. Generally, a domestic corporation is a USRPHC if the fair market value of its USRPIs equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in its trade or business.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular graduated rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include such effectively connected gain.

A Non-U.S. Holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on any gain derived from the disposition, which may generally be offset by U.S.-source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we currently are not, and do not anticipate becoming, a USRPHC. Because the determination of whether we are a USRPHC depends, however, on the fair market value of our USRPIs relative to the fair market value of our non-U.S. real property interests and our other business assets, there can be no assurance that we currently are not a USRPHC or will not become one in the future. Even if we are or become a USRPHC, gain arising from the sale or other taxable disposition by a Non-U.S. Holder of our common stock will not be subject to U.S. federal income tax if our common stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market, and such Non-U.S. Holder owned, actually and constructively, five percent or less of our common stock throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition and the Non-U.S.

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Holder's holding period. If we were to become a USRPHC and our common stock were not considered to be "regularly traded" on an established securities market during the calendar year in which the relevant disposition by a Non-U.S. Holder occurred, such Non-U.S. Holder (regardless of the percentage of stock owned) would be subject to U.S. federal income tax on a sale or other taxable disposition of our common stock and a 15% withholding tax would apply to the gross proceeds from such disposition.

Non-U.S. Holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different treatment.

### **Information Reporting and Backup Withholding**

Payments of dividends on our common stock generally will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the Non-U.S. Holder is a United States person and the Non-U.S. Holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or otherwise establishes an exemption. However, information returns are required to be filed with the IRS in connection with any dividends on our common stock paid to the Non-U.S. Holder, regardless of whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of our common stock within the United States or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting if the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such Non-U.S. Holder is a United States person, or the Non-U.S. Holder otherwise establishes an exemption. If a Non-U.S. Holder does not provide the certification described above or the applicable withholding agent has actual knowledge or reason to know that such Non-U.S. Holder is a United States person, payments of dividends or of proceeds of the sale or other taxable disposition of our common stock may be subject to backup withholding at a rate currently equal to 24% of the gross proceeds of such dividend, sale, or taxable disposition. Proceeds of a disposition of our common stock conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Non-U.S. Holders should consult their tax advisors regarding information reporting and backup withholding.

### **Additional Withholding Tax on Payments Made to Foreign Accounts**

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the FATCA), on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on certain amounts paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code) (including, in some cases, when such foreign financial institution or non-financial foreign entity is acting as an intermediary), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each direct and indirect substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other



things, that it undertake to identify accounts held by certain “specified United States persons” or “United States-owned foreign entities” (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to noncompliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the Code, applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our common stock. On December 13, 2018, the U.S. Department of the Treasury released proposed regulations (which may be relied upon by taxpayers until final regulations are issued), which eliminate FATCA withholding on the gross proceeds from a sale or other disposition of our common stock. Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

## UNDERWRITERS

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. LLC, Jefferies LLC and Barclays Capital Inc. are acting as representatives, have severally agreed to purchase, and we and the selling stockholders have agreed to sell to them, severally, the number of shares indicated below:

<u>Name</u>	<u>Number of Shares</u>
Morgan Stanley & Co. LLC	
Jefferies LLC	
Barclays Capital Inc.	
Evercore Group L.L.C.	
Wells Fargo Securities, LLC	
BMO Capital Markets Corp.	
Oppenheimer & Co. Inc.	
Raymond James & Associates, Inc.	
Stifel, Nicolaus & Company, Incorporated	
Academy Securities, Inc.	
Blaylock Van, LLC	
Penserra Securities LLC	
R. Seelaus & Co., LLC	
Siebert Williams Shank & Co., LLC	
Total	

The underwriters and the representatives are collectively referred to as the “underwriters” and the “representatives,” respectively. The underwriters are offering the shares of common stock subject to their acceptance of the shares from us and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters’ over-allotment option described below.

The underwriters initially propose to offer part of the shares of common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers at a price that represents a concession not in excess of \$ \_\_\_\_\_ per share under the public offering price. After the initial offering of the shares of common stock, the offering price and other selling terms may from time to time be varied by the representatives.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to \_\_\_\_\_ additional shares of common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of common stock offered by this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of common stock as the number listed next to the underwriter’s name in the preceding table bears to the total number of shares of common stock listed next to the names of all underwriters in the preceding table.

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The following table shows the per share and total public offering price, underwriting discounts, and commissions, and proceeds before expenses to us and the selling stockholders. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional \_\_\_\_\_ shares of common stock.

	Per Share	Total	
		No Exercise	Full Exercise
Public offering price	\$	\$	\$
Underwriting discounts:			
Proceeds, before expenses, to us	\$	\$	\$

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately \$ \_\_\_\_\_. We have agreed to reimburse the underwriters for certain expenses incurred by them in connection with the offering, including up to \$50,000 relating to clearance of this offering with the Financial Industry Regulatory Authority, or FINRA.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of common stock offered by them.

We intend to apply to have our common stock approved for listing on the NASDAQ under the trading symbol "IAS."

We and all directors and officers and the holders of substantially all of our outstanding common stock and stock options have agreed that, without the prior written consent of Morgan Stanley & Co. LLC, on behalf of the underwriters, we and they will not, and will not publicly disclose an intention to or cause any affiliate to, during the period ending 180 days after the date of this prospectus (the "Restricted Period"):

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock ("Lock-Up Securities");
- file or confidentially submit any registration statement with the SEC relating to the offering of any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock; or
- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Lock-Up Securities,

whether any such transaction described above is to be settled by delivery of common stock or such other securities, in cash or otherwise. In addition, we and each such person agrees that, without the prior written consent of Morgan Stanley & Co. LLC on behalf of the underwriters, we or such other person will not, during the Restricted Period, make any demand for, or exercise any right with respect to, the registration of any shares of common stock or any security convertible into or exercisable or exchangeable for common stock.

The restrictions described in the immediately preceding paragraph do not apply to our directors and officers or holders of our outstanding common stock or other securities in certain circumstances, including:

- transactions relating to shares of common stock acquired in open market transactions after the completion of the offering contemplated hereby, *provided* that no filing under Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") is required or voluntarily made in connection with subsequent sales of common stock acquired in such open market transactions;

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- transfers of shares of Lock-Up Securities (i) as a bona fide gift, (ii) to any immediate family member or any of its affiliates, or any trust for the direct or indirect benefit of the lock-up party, or any of its affiliates, (iii) to a corporation, partnership, limited liability company, trust or other entity of which the lock-up party, or any of its affiliates, and the immediate family of the lock-up party are the legal and beneficial owner of all of the outstanding equity securities or similar interests, or (iv) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iii), *provided* that in the case of any transfer pursuant to clause (i), (ii), or (iv) (to the extent the transfer is to a transferee referred to in (i) or (ii)), each donee or transferee will sign and deliver a lock-up agreement substantially in the form described herein and no filing under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership of shares of common stock, be required or be voluntarily made during the Restricted Period (other than a filing on a Form 5 that clearly indicates in the footnotes the nature and conditions of such transfer, that such transfer is not for value and that the Lock-Up Securities subject to such transfer remain subject to the lock-up agreement described herein), and *provided further* that in the case of any transfer or distribution pursuant to clause (iii) and (iv) (to the extent the transfer is to a transferee referred to in (iii)), each transferee or distributee will sign and deliver a lock-up agreement substantially in the form described herein;
- transfers of Lock-Up Securities to (i) a partner, member or stockholder, as the case may be, of such partnership, limited liability company or corporation, (ii) any wholly-owned subsidiary of the lock-up party, (iii) an affiliate (as such term is defined in Rule 405 of the Securities Act) of or (iv) if a transferee referred to in clauses (i) through (iii) above is not a natural person, any direct or indirect partner, member or shareholder of such transferee until the Lock-Up Securities come to be held by a natural person; *provided* that each transferee or distributee will sign and deliver a lock-up agreement substantially in the form described herein;
- facilitating the establishment of a trading plan on behalf of a shareholder, officer or director of ours pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock, *provided* that (i) such plan does not provide for the transfer of common stock during the Restricted Period and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made regarding the establishment of such plan, such announcement or filing will include a statement to the effect that no transfer of common stock may be made under such plan during the Restricted Period;
- transfer of Lock-Up Securities pursuant to a bona fide third party tender offer, merger, consolidation or other similar transaction or transactions made to all or substantially all holders of our common stock and approved by our board of directors, the result of which is that any “person” or “group” (within the meaning of Section 13(d) of the Exchange Act), will or would become, after giving effect to such transaction or transactions, the beneficial owner (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) of more than 50% of the total voting power of our voting securities), *provided* that in the event that such tender offer, merger, consolidation or other such transaction or transactions is not completed, the Lock-Up Securities will remain subject to the provisions of the lock-up agreement described herein during the Restricted Period;
- (i) as a result of the operation of law, or pursuant to an order of a court (including a domestic order, divorce settlement, divorce decree or separation agreement) or regulatory agency or (ii) by will, other testamentary document or intestate succession, *provided* that no filing under the Exchange Act, or other public announcement, will be required or voluntarily made in connection with any such transfer during the Restricted Period (other than a filing on a Form 5 that would disclose that such transfer was a result of the operation of law, or pursuant to an order of a court or regulatory agency or by will, other testamentary document or intestate succession);
- the repurchase of Lock-Up Securities by us pursuant to equity award agreements or other contractual arrangements providing for the right of said repurchase in connection with the termination of the lock-up party’s employment or service with us, *provided* that no filing under the Exchange Act, or other

public announcement, be voluntarily made in connection with any such transfer, and if a report under the Exchange Act related thereto is required during the Restricted Period, such report will disclose that such transfer was a result of the repurchase of the Lock-Up Securities or such other securities by us pursuant to equity award agreements or other contractual arrangements in connection with the termination of the lock-up party's employment or service with us;

- pursuant to the exercise of an option to purchase Lock-Up Securities in connection with the termination or expiration of such option pursuant to its terms, *provided* that (1) such option was granted pursuant to a stock option plan or other equity incentive plan described herein, (2) any Lock-Up Securities received upon such exercise will be subject to the terms of the lock-up agreement described herein and (3) no filing by the lock-up party or any party (transferor or transferee) under the Exchange Act, or other public announcement be voluntarily made in connection with any such transfer, and if the holder is required to file a report under the Exchange Act related thereto during the Restricted Period, such report will disclose that such transfer was a result of the exercise of option expiring or terminating in accordance with their terms and does not result in any aggregate reduction in the beneficial ownership; or
- a transfer to us (x) pursuant to the exercise, on a "cashless" or "net exercise" basis, of any option to purchase Lock-Up Securities granted by us pursuant to stock option or equity incentive plans described herein, or (y) for the purpose of satisfying any withholding taxes (including estimated taxes) due as a result of the exercise of any option to purchase Lock-Up Securities or the vesting of any equity awards granted by us pursuant to stock option or equity incentive plans described herein, *provided* that no filing by the lock-up party or any party (transferor or transferee) under the Exchange Act, or other public announcement, be voluntarily made in connection with any such transfer, and a report under the Exchange Act is required to be filed during the Restricted Period, such report will disclose that such transfer was a result of the exercise, on a "cashless" or "net exercise" basis, of any option to purchase Lock-Up Securities granted by us pursuant to stock option or equity incentive plans described herein, or for the purpose of satisfying any withholding taxes (including estimated taxes) due as a result of the exercise of any option to purchase Lock-Up Securities or the vesting of any equity awards granted by us pursuant to stock option or equity incentive plans described herein.

The restrictions also do not apply to us in certain circumstances, including:

- the sale of our common stock to the underwriters in this offering;
- the issuance by us of shares of common stock upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof as described herein;
- the issuance of shares, and options to purchase shares, of common stock and restricted stock units pursuant to stock option plans, stock purchase or other equity incentive plans described herein;
- the sale or issuance of or entry into an agreement providing for the sale or issuance of common stock or securities convertible into, exercisable for or which are otherwise exchangeable for or represent the right to receive common stock in connection with (x) the acquisition by us or any of our subsidiaries of the securities, business, technology, property or other assets of another person or entity or pursuant to an employee benefit plan assumed by us in connection with such acquisition, and the issuance of any common stock or securities convertible into, exercisable for or which are otherwise exchangeable for or represent the right to receive common stock pursuant to any such agreement or (y) joint ventures, commercial relationships and other strategic transactions, *provided* that the aggregate number of shares of common stock or securities convertible into, exercisable for or which are otherwise exchangeable for or represent the right to receive common stock that we may sell or issue or agree to sell or issue pursuant to this clause does not exceed 5.0% of the total number of shares of common stock outstanding as of the closing date immediately following the completion of the offering contemplated hereby, and *provided further* that all recipients of any such securities shall enter into a "lock-up" agreement, substantially as described herein covering the remainder of the Restricted Period;

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- facilitating the establishment of a trading plan on behalf of a shareholder, officer or director of ours pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock, *provided* that (i) such plan does not provide for the transfer of common stock during the Restricted Period and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required or voluntarily made us regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of common stock may be made under such plan during the Restricted Period; or
- the filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any compensation benefit plan described herein.

In order to facilitate the offering of the common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under the over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under the over-allotment option. The underwriters may also sell shares in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of common stock in the open market to stabilize the price of the common stock. These activities may raise or maintain the market price of the common stock above independent market levels or prevent or retard a decline in the market price of the common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representatives may agree to allocate a number of shares of common stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make Internet distributions on the same basis as other allocations.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing, and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to customers that they acquire, long or short positions in such securities and instruments.

## **Pricing of the Offering**

Prior to this offering, there has been no public market for our common stock. The initial public offering price was determined by negotiations between us and the representatives. Among the factors considered in determining the initial public offering price were our future prospects and those of our industry in general, our sales, earnings, and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours.

## **Selling Restrictions**

### ***European Economic Area***

In relation to each Member State of the European Economic Area (each, a “Relevant State”), no securities have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in relation to the securities which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of securities may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

*provided* that no such offer of securities shall require us or any of our representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any securities in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase any securities, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended).

### ***United Kingdom***

No securities have been offered or will be offered pursuant to the offering to the public in the U.K. prior to the publication of a prospectus in relation to the securities which has been approved by the Financial Conduct Authority, except that it may make an offer to the public in the U.K. of any securities at any time:

- to any legal entity which is a qualified investor as defined under Article 2 of the U.K. Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the U.K. Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or
- in any other circumstances falling within Section 86 of the FSMA,

*provided* that no such offer of the securities shall require us or any of our representatives to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the U.K. Prospectus Regulation.

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For the purposes of this provision, the expression an “offer to the public” in relation to the securities in the U.K. means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase or subscribe for any securities and the expression “U.K. Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and the expression “FSMA” means the Financial Services and Markets Act 2000.

Each underwriter has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the shares of common stock in circumstances in which Section 21(1) of the FSMA does not apply to the company or the selling stockholders; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of common stock in, from or otherwise involving the U.K.

### ***Canada***

The common stock may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted customers, as defined in National Instrument 31-103 Registration Requirements, Exemptions, and Ongoing Registrant Obligations. Any resale of the common stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### ***Hong Kong***

The common stock may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (“Companies (Winding Up and Miscellaneous Provisions) Ordinance”) or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“Securities and Futures Ordinance”), (ii) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the common stock may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares of common stock which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.



### **Japan**

No registration pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the “FIEL”) has been made or will be made with respect to the solicitation of the application for the acquisition of the shares of common stock.

Accordingly, the shares of common stock have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements, and otherwise in compliance with, the FIEL and the other applicable laws and regulations of Japan.

#### *For Qualified Institutional Investors (“QII”)*

Please note that the solicitation for newly-issued or secondary securities (each as described in Paragraph 2, Article 4 of the FIEL) in relation to the shares of common stock constitutes either a “QII only private placement” or a “QII only secondary distribution” (each as described in Paragraph 1, Article 23-13 of the FIEL). Disclosure regarding any such solicitation, as is otherwise prescribed in Paragraph 1, Article 4 of the FIEL, has not been made in relation to the shares of common stock. The shares of common stock may only be transferred to QIIs.

#### *For Non-QII Investors*

Please note that the solicitation for newly-issued or secondary securities (each as described in Paragraph 2, Article 4 of the FIEL) in relation to the shares of common stock constitutes either a “small number private placement” or a “small number private secondary distribution” (each as is described in Paragraph 4, Article 23-13 of the FIEL). Disclosure regarding any such solicitation, as is otherwise prescribed in Paragraph 1, Article 4 of the FIEL, has not been made in relation to the shares of common stock. The shares of common stock may only be transferred en bloc without subdivision to a single investor.

### **Singapore**

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the common stock may not be circulated or distributed, nor may the common stock be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”)) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to conditions set forth in the SFA.

Where the shares of common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for 6 months after that corporation has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation’s securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore (“Regulation 32”).

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Where the shares of common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that trust has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32.

Solely for the purposes of our obligations pursuant to Section 309B of the SFA, we have determined, and hereby notify all relevant persons (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 ("CMP Regulations")) that the shares of Class common stock are "prescribed capital markets products" (as defined in the CMP Regulations) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **Switzerland**

This prospectus is not intended to constitute an offer or solicitation to purchase or invest in the common stock. The common stock may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("FinSA") and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading venue (exchange or multilateral trading facility) in Switzerland. This document does not constitute a prospectus within the meaning of, and has been prepared without regard to, the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading venue (exchange or multilateral trading facility) in Switzerland. Neither this document nor any other offering or marketing material relating to the common stock constitutes a prospectus pursuant to the FinSA, and neither this document nor any other offering or marketing material relating to the common stock or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, or the common stock have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of common stock will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of common stock has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of common stock.

### **United Arab Emirates**

The common stock has not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

## LEGAL MATTERS

The validity of the issuance of our common stock offered in this prospectus will be passed upon for us by Kirkland & Ellis LLP, Chicago, Illinois. Certain partners of Kirkland & Ellis LLP are members of a limited partnership that is an investor in one or more investment funds affiliated with Vista. Kirkland & Ellis LLP represents entities affiliated with Vista in connection with legal matters. Certain legal matters will be passed upon for the underwriters by Davis Polk & Wardwell LLP, New York, New York.

## EXPERTS

The financial statements as of December 31, 2019 and 2020 and for the two years in the period ended December 31, 2020 included in this Prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting

## WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act to register our common stock being offered in this prospectus. This prospectus, which forms part of the registration statement, does not contain all of the information included in the registration statement and the attached exhibits. You will find additional information about us and our common stock in the registration statement. References in this prospectus to any of our contracts, agreements, or other documents are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contracts, agreements or documents. The SEC maintains an Internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is [www.sec.gov](http://www.sec.gov).

On the closing of this offering, we will be subject to the information reporting requirements of the Exchange Act, and we will file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information will be available for inspection and copying at the website of the SEC referred to above.

We also maintain a website at [www.integralads.com](http://www.integralads.com). Information contained in, or accessible through, our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is only as an inactive textual reference.

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**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Members of Integral Ad Science Holding LLC

***Opinion on the Financial Statements***

We have audited the accompanying consolidated balance sheets of Integral Ad Science Holding LLC (formerly known as Kavacha Topco, LLC) and its subsidiaries (the “Company”) as of December 31, 2020 and December 31, 2019, and the related consolidated statements of operations and comprehensive loss, changes in members’ equity and of cash flows for the years then ended including, the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

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

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

New York, New York  
March 31, 2021

We have served as the Company’s auditor since 2011.

**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**CONSOLIDATED BALANCE SHEETS**

(IN THOUSANDS, EXCEPT UNIT DATA)	December 31,	
	2019	2020
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 26,281	\$ 51,734
Restricted cash	1,449	187
Accounts receivable, net	42,438	45,418
Unbilled receivables	23,775	28,083
Prepaid expenses and other current assets	7,444	4,101
Total current assets	101,387	129,523
Property and equipment, net	4,323	2,243
Internal use software, net	7,724	12,322
Intangible assets, net	300,683	243,348
Goodwill	457,649	458,586
Other long-term assets	3,465	3,557
Total assets	<u>\$875,231</u>	<u>\$ 849,579</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 24,733	\$ 38,789
Due to related party	640	150
Capital leases payable, current portion	1,427	325
Deferred revenue	1,496	1,144
Total current liabilities	28,296	40,408
Accrued rent	1,617	1,827
Net deferred tax liability	40,102	24,794
Long-term debt	345,329	351,071
Capital leases payable	215	—
Total liabilities	415,559	418,100
<b>COMMITMENTS AND CONTINGENCIES (Note 14)</b>		
<b>MEMBERS' EQUITY:</b>		
Units, \$1,000 par value, 608,695 units authorized at December 31, 2019, and 2020, 553,862, and 553,867 units issued and outstanding at December 31, 2019 and 2020, respectively	553,862	553,717
Additional paid-in-capital	—	—
Accumulated other comprehensive income	175	4,523
Accumulated deficit	(94,365)	(126,761)
Total members' equity	459,672	431,479
Total liabilities and members' equity	<u>\$875,231</u>	<u>\$ 849,579</u>

See accompanying notes to the consolidated financial statements.

**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**

(IN THOUSANDS, EXCEPT UNIT AND PER UNIT DATA)	<u>Year ended December 31,</u>	
	<u>2019</u>	<u>2020</u>
Revenue	<u>\$213,486</u>	<u>\$ 240,633</u>
Operating expenses:		
Cost of revenue (excluding depreciation and amortization shown below)	33,107	40,506
Sales and marketing	71,300	66,022
Technology and development	40,403	48,991
General and administrative	32,135	33,286
Depreciation and amortization	70,327	65,708
Total operating expenses	<u>247,272</u>	<u>254,513</u>
Operating loss	(33,786)	(13,880)
Interest expense, net	(32,994)	(31,570)
Net loss before benefit from income taxes	(66,780)	(45,450)
Benefit from income taxes	15,432	13,076
Net loss	<u>\$ (51,348)</u>	<u>\$ (32,374)</u>
Net loss per unit — basic and diluted	(94.42)	(58.45)
Basic and diluted weighted average units outstanding	<u>543,840</u>	<u>553,902</u>
Other comprehensive income:		
Foreign currency translation adjustments	421	4,348
Total comprehensive loss	<u>\$ (50,927)</u>	<u>\$ (28,026)</u>

See accompanying notes to the consolidated financial statements.

**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY**

(IN THOUSANDS, EXCEPT UNIT DATA)	Members' Interest		Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total members' equity
	Units	Amount				
<b>Balances at December 31, 2018</b>	556,969	\$556,969	\$ —	\$ (246)	\$ (42,575)	\$514,148
Cumulative effect adjustment from adoption of revenue recognition standard, net of tax	—	—	—	—	(380)	(380)
Repurchase of units	(3,107)	(3,107)	—	—	(62)	(3,169)
Foreign currency translation adjustment	—	—	—	421	—	421
Net loss	—	—	—	—	(51,348)	(51,348)
<b>Balances at December 31, 2019</b>	553,862	\$553,862	\$ —	\$ 175	\$ (94,365)	\$459,672
Repurchase of units	(145)	(145)	—	—	(22)	(167)
Units vested	150	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	4,348	—	4,348
Net loss	—	—	—	—	(32,374)	(32,374)
<b>Balances at December 31, 2020</b>	553,867	\$553,717	\$ —	\$ 4,523	\$ (126,761)	\$431,479

See accompanying notes to the consolidated financial statements.



**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(IN THOUSANDS)	<b>Year ended December 31,</b>	
	2019	2020
<b>Cash flows from operating activities:</b>		
Net loss	\$ (51,348)	\$ (32,374)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	70,327	65,708
Amortization of debt issuance costs	1,272	1,365
Allowance for doubtful accounts	3,396	2,200
Non-cash interest expense	4,191	4,483
Deferred tax benefit	(16,929)	(15,312)
Gain on sale of assets	—	(10)
Impairment of internal use software	861	—
Changes in operating assets and liabilities:		
Increase in accounts receivable	(6,352)	(4,426)
Increase in unbilled receivables	(5,226)	(3,910)
Increase (decrease) in prepaid expenses and other current assets	(3,747)	264
Increase (decrease) in accounts payable and accrued expenses	(242)	16,114
Increase in accrued rent	1,301	202
Increase (decrease) in deferred revenue	642	(367)
Net cash (used in) provided by operating activities	(1,854)	33,937
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(1,059)	(638)
Acquisition of ADmantX S.p.A., net of acquired cash	(17,575)	—
Acquisition and development of internal use software	(6,400)	(9,024)
Net cash used in investing activities	(25,034)	(9,662)
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of term debt	20,000	—
Payments for debt issuance costs	(473)	—
Principal payments on capital lease obligations	(2,702)	(1,529)
Cash paid for unit repurchases	(3,169)	(167)
Net cash provided by (used in) financing activities	13,656	(1,696)
Net (decrease) increase in cash, cash equivalents, and restricted cash	(13,232)	22,579
Effect of exchange rate changes on cash and cash equivalents, and restricted cash	(60)	1,772
Cash, cash equivalents, and restricted cash, at beginning of year	43,662	30,370
<b>Cash, cash equivalents, and restricted cash, at end of year</b>	<b>\$ 30,370</b>	<b>\$ 54,721</b>
<b>Supplemental Disclosures:</b>		
Cash paid during the year for:		
Interest	\$ 27,866	\$ 21,440
Taxes	\$ 1,160	\$ 1,424
<b>Non-cash investing and financing activities:</b>		
Assets acquired under capital leases	\$ 503	\$ 212
Property and equipment acquired included in accounts payable	\$ 114	\$ 130

See accompanying notes to the consolidated financial statements.

**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(IN THOUSANDS, EXCEPT UNIT AND PER UNIT DATA)**

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**1. Description of business**

Integral Ad Science Holding, LLC. and its wholly-owned subsidiaries (together, the “Company”), formerly known as Kavacha Topco, LLC, is a leading global digital advertising verification company by revenue. The Company’s mission is to be the global benchmark for trust and transparency in digital media quality for the world’s leading brands, publishers, and platforms. The Company’s cloud-based technology platform provides actionable insights and deliver independent measurement and verification of digital advertising across all devices, channels, and formats, including desktop, mobile, connected TV (“CTV”), social, display, and video. The Company’s proprietary and Media Rating Council (the “MRC”) accredited Quality Impressions™ metric is designed to verify that digital ads are served to a real person rather than a bot, viewable on-screen, and appear in a brand-safe and suitable environment in the correct geography. The Company is an independent, trusted partner for buyers and sellers of digital advertising to increase accountability, transparency, and effectiveness in the market. The Company helps advertisers optimize their ad spend and better measure consumer engagement with campaigns across platforms, while enabling publishers to improve their inventory yield and revenue.

The Company has its operations within the U.S. in New York, California, Illinois, Washington, Texas and Virginia. Operations outside the U.S. are within the U.K., Germany, Italy, Spain, Sweden, Singapore, Australia, France, Japan, Canada, Hong Kong and Brazil.

On February 23, 2021, the Company amended the certificate of formation of Kavacha Topco, LLC to change the name of the Company to Integral Ad Science Holding LLC.

**2. Summary of significant accounting policies**

This summary of significant accounting policies is presented to assist in understanding the Company’s consolidated financial statements. These accounting policies have been consistently applied in the preparation of the consolidated financial statements.

**(a) Basis of presentation**

The Company’s consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and reflect the financial position, results of operations and cash flows for all periods presented.

The Company is an Emerging Growth Company, as defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). Under the JOBS Act, Emerging Growth Companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it (i) is no longer an Emerging Growth Company or (ii) it affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, these financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates. The adoption dates discussed below reflect this election.

**(b) Basis of consolidation**

The consolidated financial statements include the accounts of Integral Ad Science Holding LLC and its wholly-owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(IN THOUSANDS, EXCEPT UNIT AND PER UNIT DATA)**

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***(c) Use of estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates include the allocation of purchase price consideration in the business combination and the related valuation of acquired assets and liabilities, the estimated useful lives of our property and equipment, intangible assets and internal use software, the allowance for doubtful accounts, and goodwill impairment testing; the assumptions used to calculate equity-based compensation; and the realization of deferred tax assets. The Company bases its estimates on past experience, market conditions, and other assumptions that the Company believes are reasonable under the circumstances, and the Company evaluates these estimates on an ongoing basis.

***(d) Foreign currency***

The reporting currency of the Company is the U.S. dollar. The functional currency of our foreign subsidiaries is the currency of the primary economic environment in which they operate, which is their local currency. The financial statements of these subsidiaries are translated into U.S. dollars using month-end rates of exchange for assets and liabilities, and average rates of exchange for revenue, costs and expenses. Translation gains and losses are recorded in accumulated other comprehensive income (loss) in members' equity. The Company recorded translation gains of \$421 and \$4,348 for the years ended December 31, 2019 and 2020, respectively. Transaction gains and losses including those on intercompany transactions denominated in a currency other than the functional currency of the entity involved are included in foreign exchange gain (loss) in the Consolidated Statement of Operations and Comprehensive Loss. The Company recorded transaction losses of \$287 and \$706 for the years ended December 31, 2019 and 2020, respectively.

***(e) Concentrations of credit risk***

Our assets that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable.

Cash equivalents consist of money market funds, which are invested through financial institutions in the United States. Such deposits may, at times, exceed federally insured limits. The Company has not experienced any losses in such amounts and believes it is not exposed to any significant credit risk to cash.

Accounts receivable are spread over many customers in various countries. The Company maintains an allowance for uncollectible accounts receivable based on expected collectability and through the ongoing performance of credit evaluations of customers' financial condition.

As of December 31, 2019, and 2020, no customer accounted for more than 10% of accounts receivable.

The Company has entered into long-term revenue share agreements with certain demand-side platforms. The results of operations would be adversely affected if these agreements were to be terminated.

***(f) Cash and cash equivalents***

Cash and cash equivalents include highly liquid investments with an original maturity date of three months or less at the time of purchase.

**INTEGRAL AD SCIENCE HOLDING LLC**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(IN THOUSANDS, EXCEPT UNIT AND PER UNIT DATA)**

**(g) Restricted cash**

Cash amounts with restrictions are classified as restricted cash within the consolidated balance sheets.

The following table provides a roll forward of the changes in the restricted cash balance:

Restricted cash as of January 1, 2019	\$ 3,418
Deposits for facilities leases	478
Deposits for future medical claims	193
Restricted cash as of December 31, 2019	4,089
Release of deposits for facilities leases no longer restricted	(1,096)
Release of deposits for medical claims	(6)
Restricted cash as of December 31, 2020	<u>\$ 2,987</u>

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance sheets to the amounts shown in the statements of cash flows.

	December 31,	
	2019	2020
Cash and cash equivalents	\$ 26,281	\$ 51,734
Short-term restricted cash	1,449	187
Long-term restricted cash (held in other long-term assets)	2,640	2,800
Total cash, cash equivalents, and restricted cash shown in the statements of cash flows	<u>\$ 30,370</u>	<u>\$ 54,721</u>

**(h) Accounts receivable, net**

Accounts receivable are carried at the original invoiced amount less an allowance for doubtful accounts. The allowance is estimated based on management's knowledge of its customers' financial condition, credit history, and existing economic conditions. Invoices are typically issued with net 30-days to net 90-days terms. Account balances are considered delinquent if payment is not received by the due date, and the receivables are written off when deemed uncollectible. The allowance for doubtful accounts are recorded in general and administrative expenses within the statements of operations and comprehensive loss.

The activity in our allowance for doubtful accounts consists of the following:

	December 31,	
	2019	2020
Balance at beginning of year	\$ 4,916	\$ 5,843
Additional provision	3,396	2,200
Receivables written-off	(2,469)	(3,786)
Balance at the end of year	<u>\$ 5,843</u>	<u>\$ 4,257</u>

**INTEGRAL AD SCIENCE HOLDING LLC  
(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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***(i) Property and equipment, net***

Property and equipment are recognized in the consolidated balance sheet at cost less accumulated depreciation. The Company depreciates its property and equipment using the straight-line method of depreciation over the estimated useful lives of the respective assets, with the exception of leasehold improvements, which is the shorter of the useful life of the asset or the lease term, whichever is shorter.

The cost of repairs and maintenance are expensed as incurred. Major renewals or improvements that extend the useful lives of the assets are capitalized. When assets are retired or disposed of, the cost and accumulated depreciation thereon are removed, and any resulting gain or loss is recognized in the consolidated statements of operations and comprehensive loss.

***(j) Goodwill***

We record as goodwill the excess of purchase price over the fair value of the net tangible and identifiable intangible assets acquired. In testing goodwill for impairment, we have the option to begin with a qualitative assessment, commonly referred to as “Step 0”, to determine whether it is more likely than not that the fair value of a reporting unit containing goodwill is less than its carrying value. This qualitative assessment may include, but is not limited to, reviewing factors such as macroeconomic conditions, industry and market considerations, cost factors, entity-specific financial performance and other events, such as changes in our management, strategy and primary user base. If the Company determines that it is more likely than not that the fair value of a reporting unit is less than its carrying value, then a quantitative goodwill impairment analysis is performed which is referred to as “Step 1”. Depending upon the results of that measurement, the recorded goodwill may be written down, and impairment expense is recorded in the consolidated statements of operations when the carrying amount of the reporting unit exceeds the fair value of the reporting unit.

***(k) Intangible assets, net***

Our intangible assets consist of developed technology, customer relationships, favorable leases, and trademarks. Our intangible assets are recorded at fair value at the time of their acquisition and are stated within our consolidated balance sheets net of accumulated amortization. Intangible assets are amortized on a straight-line basis over their estimated useful lives or using an accelerated method. Amortization is recorded as depreciation and amortization under operating expenses within our consolidated statements of operations and comprehensive loss. Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. As of December 31, 2019, and 2020, there were no events or changes in circumstances to indicate that the carrying amount of the assets may not be recoverable.

***(l) Impairment of long-lived assets***

All long-lived assets used in the Company’s operations are subject to review for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is assessed based on the future cash flows expected to result from the use of the asset and its eventual disposition. If the sum of the undiscounted cash flows is less than the carrying amount of the asset, an impairment loss is recognized. Any impairment loss, if indicated, is measured as the amount by which the carrying amount of the asset exceeds its estimated fair value and is recognized as a reduction in the carrying amount of the asset.

**INTEGRAL AD SCIENCE HOLDING LLC**  
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***(m) Fair value measurements***

The Company follows FASB ASC 820-10, “Fair Value Measurements,” which defines fair value, establishes a framework for measuring fair value in U.S. GAAP, and requires certain disclosures about fair value measurements.

ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the most advantageous market for the asset or liability in an orderly transaction. Fair value measurement is based on a hierarchy of observable or unobservable inputs. The standard describes three levels of inputs that may be used to measure fair value.

Level 1 — Inputs to the valuation methodology are quoted prices available in active markets for identical securities as of the reporting date;

Level 2 — Inputs to the valuation methodology are other significant observable inputs, including quoted prices for similar securities, interest rates, credit risk etc. as of the reporting date, and the fair value can be determined through the use of models or other valuation methodologies; and

Level 3 — Inputs to the valuation methodology are unobservable inputs in situations where there is little, or no market activity of the securities and the reporting entity makes estimates and assumptions relating to the pricing of the securities including assumptions regarding risk.

We segregate all financial assets and liabilities that are measured at fair value on a recurring basis into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date.

***(n) Revenue recognition***

The Company derives revenue primarily from advertisers and programmatic services offered through a demand side platform delivered to customers across the digital advertising platform, which the Company concludes is its performance obligation. Fees associated with our contracts include impression-based fees driven by impression volume and cost per thousand impressions (“CPM”). The solutions are designed to serve both the buy-side and the sell-side of digital ad transactions.

The Company recognizes revenue when control of the promised services are transferred to customers. Revenue from the cloud-based technology platform is primarily recognized based on impressions delivered to customers. An “impression” is delivered when an advertisement appears on pages viewed by users. The majority of the Company’s contracts are usage-based contracts with no substantive minimum commitments. The Company has certain contracts for which pricing is variable through tiered pricing arrangements or include annual base fees that do not coincide with the calendar year, requiring an estimate of the transaction price attributable to each year. The majority of the Company’s contracts have a duration of one year or less.

The Company evaluated arrangements with its customers where the customer purchases the Company’s services through a demand side platform to determine if such revenue should be reported on a gross or net basis. In these arrangements, the demand side platform collects the fee on behalf of the Company for the purchase of advertising inventory on an exchange. In these transactions, the Company is primarily responsible for providing these services directly to the customer and have latitude in establishing the sales price with the customers. As a result, the Company records revenue for the gross amounts paid by the customers for these services and records the amounts retained by the demand side platforms as a cost of revenue.

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The Company bills customers monthly based on the impressions delivered each month. Invoices are typically issued with net 30-days to net 90-days terms and customers do not have a contractual right to refunds for the impressions delivered. Cash payments received prior to the Company's delivery of its services are recorded to deferred revenue until the performance obligation is satisfied. The Company recorded deferred revenue (contract liabilities) to account for billings in excess of revenue recognized, primarily related to contractual minimums billed in advance and customer prepayment of \$1,496 and \$1,144 as of December 31, 2019 and 2020, respectively.

The Company incurs incremental contract costs of obtaining a contract from sales commissions. The Company has elected to expense commission costs when incurred for contracts with an expected amortization period of one year or less. These costs are recorded in sales and marketing expenses within the consolidated statement of operations and comprehensive loss.

See Note 11, Segment data, for disaggregated revenue by geographic region.

**(o) Net loss per unit**

Basic net income (loss) per unit is computed by dividing the net income (loss) by the weighted-average number of units outstanding during the reporting period, without consideration for potentially dilutive securities. Diluted net income (loss) per unit is computed by dividing the net income (loss) attributable to members' by the weighted-average number of units and potentially dilutive securities outstanding during the period. As the Company has reported a net loss for the periods presented, all potentially dilutive securities are antidilutive and were excluded from the computation of diluted net loss per unit attributable to the unitholders.

**(p) Income taxes**

The Company is subject to U.S. federal, state, and local income taxation on its income. The Company accounts for income taxes using an asset and liability approach, which requires estimates of taxes payable or refunds for the current period and estimates of deferred income tax assets and liabilities for the anticipated future tax consequences attributable to differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for income tax purposes. Current and deferred income tax assets and liabilities are based on provisions of the enacted income tax laws and are measured using the enacted income tax rates and laws that are expected to be in effect when the future tax events are expected to reverse. The effects of future changes in income tax laws or rates are not anticipated. The income tax provision is comprised of the current income tax expense and the change in deferred income tax assets and liabilities.

The portion of any deferred tax asset for which it is more likely than not that a tax benefit will not be realized is offset by recording a valuation allowance. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible.

The tax effects of an uncertain tax position (UTP) taken or expected to be taken in income tax returns are recognized only if it is "more-likely-than-not" to be sustained on examination by the taxing authorities, based on its technical merits as of the reporting date. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company recognizes estimated interest and penalties related to UTPs in income tax expense. The Company recognizes the resolution of an UTP in the period when it is effectively

**INTEGRAL AD SCIENCE HOLDING LLC  
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settled. Previously recognized tax positions are derecognized in the first period in which it is no longer more likely than not that the tax position would be sustained upon examination. The Company evaluated all potential uncertain tax positions and identified no significant uncertain positions.

***(q) Business combinations***

The Company determines if the acquisition of an entity or a group of assets is a business combination, which is accounted for using the acquisition method of accounting. Under the acquisition method, once control is obtained of a business, the assets acquired, and liabilities assumed, including amounts attributed to noncontrolling interests, are recorded at fair value. The Company uses its best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. One of the most significant estimates relates to the determination of the fair value of these assets and liabilities. The determination of the fair values is based on estimates and judgments made by management. The Company's estimates of fair value are based upon assumptions it believes to be reasonable, but which are inherently uncertain and unpredictable. Measurement period adjustments are reflected at the time identified, up through the conclusion of the measurement period, which is the time at which all information for determination of the values of assets acquired and liabilities assumed is received, and is not to exceed one year from the acquisition date. The Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill.

Additionally, uncertain tax positions and tax-related valuation allowances are initially recorded in connection with a business combination as of the acquisition date. The Company continues to collect information and reevaluates these estimates and assumptions periodically and records any adjustments to preliminary estimates to goodwill, provided the Company is within the measurement period. If outside of the measurement period, any subsequent adjustments are recorded in the Company's consolidated statements of operations and comprehensive loss.

***(r) Equity-based compensation***

Equity-based compensation is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period, which is generally the vesting period. The Company estimates expected forfeitures of equity-based awards at the grant date and recognizes compensation cost only for those awards expected to vest. The forfeiture assumption is ultimately adjusted to the actual forfeiture rate. Therefore, changes in the forfeiture assumptions may affect the timing of the total amount of expense recognized over the vesting period. Estimated forfeitures are reassessed in each reporting period and may change based on new facts and circumstances.

For awards subject to performance and market conditions, the fair value of each option grant is estimated on the date of grant using a modified Black-Scholes Option model and a Monte Carlo simulation, which utilizes multiple inputs to estimate the probability that market conditions will be achieved. The models require highly subjective assumptions as inputs, including the following:

*Expected term* — The expected term for awards subject to market and performance conditions, represents the weighted-average period the stock options are expected to be outstanding.

*Expected volatility* — The Company estimated its future stock price volatility based upon observed option-implied volatilities for a group of peer companies. The Company believes this is the best estimate of the expected



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volatility over the weighted-average expected term of its option grants. The Company will continue to analyze the historical stock price volatility and expected term assumptions as more historical data for the Company's common stock becomes available.

*Risk-free interest rate* — The risk-free interest rate is based on the implied yield currently available on U.S. Treasury instruments with terms approximately equal to the expected term of the option.

*Expected dividend* — The expected dividend assumption was based on the Company's history and expectation of dividend payouts. The Company currently has no history or expectation of paying cash dividends on its units.

*Fair value of the units*— The fair value of the units underlying the options has historically been determined by the Company's board of directors. Because there has been no public market for the units, the board of directors exercises reasonable judgment and considers numerous objective and subjective factors to determine the best estimate of the fair value of the units, including independent third-party valuations of the units, operating and financial performance, and general and industry-specific economic outlook, amongst other factors. The fair value of the Company's option grants is estimated at the grant date using the Monte Carlo simulation model based on the following weighted average assumptions:

	<b>December 31,</b>	
	<b>2019</b>	<b>2020</b>
Estimated fair value	\$ 379.68	637.86
Estimated fair value of the units or exercise price	\$ 1,011.07	1,637.53
Expected volatility (%)	62.0%	72.0%
Expected term (in years)	5.58	4.10
Risk-free interest rate (%)	2.22%	0.35%
Dividend yield	—	—

**(s) Internal use software, net**

Software development costs consist primarily of cost incurred in research and development, software engineering, and web design activities and related employee compensation costs to create, enhance, and deploy the software infrastructure. Software development costs are expensed as incurred where the amounts primarily relate to planning activities, minor developments or normal maintenance activities that do not meet the requirements under ASC 350-40, *Internal Use Software*. These costs are recorded in technology and development expenses.

Capitalized costs would include costs incurred during the software development stage, which occurs after the preliminary design stage. Such costs include consultant costs and salaries of engineers and data scientists. Enhancements to existing internal use software are capitalized when it is more likely than not that they will result in significant additional capabilities. For the years ended December 31, 2019 and 2020, respectively, the Company incurred \$6,944 and \$9,380 of costs that met the requirements of internal use software capitalization, with \$544 and \$810 of costs in accounts payable as of December 31, 2019 and 2020, respectively. These costs were capitalized when incurred and are recognized in the consolidated balance sheets at cost less accumulated amortization. The Company amortizes the software using the straight-line method over 3 years.

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***(t) Advertising Costs***

The Company expenses advertising costs as incurred. The Company incurred \$595 and \$690 in advertising expense during years ended December 31, 2019 and 2020, respectively.

***(u) Recently adopted accounting pronouncements***

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, “Revenue from Contracts with Customers” (“Topic 606”). Subsequent to the issuance of Topic 606, the FASB clarified the guidance through several ASUs, referred to as ASC 606. This guidance represents a comprehensive new revenue recognition model that requires a company to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which that company expects to be entitled to receive in exchange for those goods or services. This update sets forth a new five-step revenue recognition model which replaces the prior revenue recognition guidance in its entirety.

On January 1, 2019, the Company adopted Topic 606, using the modified retrospective method, applied to all contracts not completed as of the date of adoption. This method requires the cumulative effect of the adoption to be recognized as an adjustment to opening retained earnings or accumulated deficit in the period of adoption. The adoption of Topic 606 using the modified retrospective method led the Company to evaluate all contracts not completed as of January 1, 2019. Part of that assessment is to calculate the cumulative effect of adopting the new revenue recognition standard. A majority of the Company’s contracts are usage based or have commitments that refresh quarterly and monthly. The Company has a small population of contracts for which pricing is variable through tiered pricing arrangements or include annual base fees that do not coincide with the calendar year, requiring an estimate of the transaction price attributable to each year. The Company calculated the transaction price related to these contracts to determine the cumulative effect of adoption as of January 1, 2019, and recorded the adjustment, net of tax, to retained earnings and deferred revenue. The adoption of Topic 606 did not have a material impact to the Company’s consolidated financial statements.

In January 2017, the FASB issued ASU 2017-01, Clarifying the Definition of a Business (Topic 805), which provides guidance on evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The definition of a business affects many areas of accounting including acquisitions, disposals, goodwill, and consolidation. The new guidance amends ASC 805 to provide a more robust framework to use in determining when a set of assets and activities is a business. In addition, the amendments provide more consistency in applying the guidance, reduce the costs of application, and make the definition of a business more operable. The guidance is effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. The adoption of ASU 2017-01 did not have a material impact to the Company’s consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, “Simplifying the Test for Goodwill Impairment,” Topic 350, “Intangibles – Goodwill and Other” (ASU 2017-04). The amendments in ASU 2017-04 simplify the accounting for goodwill impairment for all entities by requiring impairment charges to be based on the first step in the current two-step impairment test. An impairment charge for the amount by which the carrying amount exceeds the reporting unit’s fair value should be recognized; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. Early adoption is permitted, and the Company early adopted on January 1, 2019. ASU 2017-04 did not have an impact on the Company’s consolidated financial statements.

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In November 2016, the FASB issued ASU 2016-18 “Statement of Cash Flows (Topic 230): Restricted Cash”. ASU 2016-18 requires entities to show the changes in the total of cash, cash equivalents, restricted cash and restricted cash equivalents in the statement of cash flows. As a result, entities will no longer present transfers between cash and cash equivalents and restricted cash and restricted cash equivalents in the statement of cash flows. The ASU requires changes in the Company’s restricted cash to be classified as either operating activities, investing activities or financing activities in the Consolidated Statements of Cash Flows, depending on the nature of the activities that gave rise to the restriction. The new standard is effective for annual reporting periods beginning after December 15, 2018. Retrospective transition method is to be applied to each period presented. The Company adopted ASU 2016-18 on January 1, 2019. The adoption of ASU 2016-18 did not have a material impact to the Company’s consolidated financial statements.

***(v) Accounting pronouncements not yet adopted***

In February 2016, the FASB issued ASU 2016-02, “Leases (Topic 842)”. Under the new guidance, lessees will be required to put most leases on their balance sheets but to recognize expenses in the income statement in a manner similar to current accounting. The guidance also eliminated the current real estate-specific provisions and changes the guidance on sale-leaseback transactions, initial direct costs, and lease executory costs for all entities. The updated guidance will be effective for the Company beginning January 1, 2022, with early adoption permitted. Upon adoption, entities will be required to use the modified retrospective approach for leases that exist, or are entered into, after the beginning of the earliest comparative period in the financial statements. In July 2018, the FASB issued ASU 2018-11, Leases (Topic 842), Targeted Improvements, which allows entities to not apply the new leases standard, including its disclosure requirements, in the comparative periods they present in their financial statements in the year of adoption. The Company is currently evaluating the potential effect that adopting this guidance will have on its consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, “Financial Instruments — Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments,” as amended, which requires, among other things, the use of a new current expected credit loss (“CECL”) model in order to determine our allowances for doubtful accounts with respect to accounts receivable. The CECL model requires that we estimate our lifetime expected credit loss with respect to our receivables and contract assets and record allowances that, when deducted from the balance of the receivables, represent the net amounts expected to be collected. We will also be required to disclose information about how we developed the allowances, including changes in the factors that influenced our estimate of expected credit losses and the reasons for those changes. This ASU is effective for annual periods, including interim periods within those annual periods, beginning after December 15, 2022. The Company is currently evaluating the potential effect that adopting this guidance will have on its consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15, “Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract”, which requires customers in a cloud computing arrangement that is a service contract to follow the internal use software guidance in ASC 350-40 to determine which implementation costs to capitalize as assets. The guidance requires certain costs incurred during the application development stage to be capitalized and other costs incurred during the preliminary project and post-implementation stages to be expensed as they are incurred. Capitalized implementation costs related to a hosting arrangement that is a service contract will be amortized over the term of the hosting arrangement, beginning when the module or component of the hosting arrangement is ready for its intended use. A customer’s accounting for the hosting component of the arrangement is not affected. The guidance will be effective for the Company for annual periods beginning after December 15, 2020. Early adoption is permitted. Entities can either

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apply the guidance prospectively to all implementation costs incurred after the date of adoption or retrospectively in accordance with ASC 250-10-45-5 through 45-10. The Company will adopt the new standard effective January 1, 2021, however, it is not expected to have a material impact on the Company's consolidated financial statements.

### 3. Business combinations

On November 20, 2019, the Company acquired 100% equity interest in ADmantX S.p.A for a purchase price of \$17,777 paid in cash at closing. The acquisition was made to enhance our existing service offering by enabling publishers and advertisers to match ads with relevant online content at the page level. The purchase price was funded by issuing term debt of \$20,000 discussed in Note 9. The purchase price was adjusted for acquired cash, bonus amounts included in transaction expenses, indebtedness, and the adjustment escrow to calculate the total purchase consideration.

The following table summarizes the allocation of the purchase price, based on the fair value of the assets acquired and liabilities assumed at the acquisition date:

	<u>Fair Value</u>
Assets acquired:	
Cash and cash equivalents	\$ 202
Other current assets	2,407
Customer relationships	1,200
Developed technology	6,700
Liabilities assumed:	
Accounts payable and accrued expenses	(1,788)
Deferred revenue	(42)
Net identifiable assets acquired	<u>8,679</u>
Goodwill	<u>9,098</u>
Total purchase consideration	<u>\$ 17,777</u>

The acquisition was accounted for under the acquisition method of accounting and the assets and liabilities were adjusted to fair value on the closing date of the acquisition. The goodwill represents the excess of the purchase price over the fair value of the underlying intangible assets and net liabilities assumed. The goodwill recognized in this acquisition is primarily attributable to the expected future growth and is not deductible for income tax purposes.

The Company amortizes the intangible assets on a straight-line basis or using an accelerated method over their estimated useful lives. The Company used valuation techniques to estimate the fair value of the intangible assets acquired which requires the use of significant judgment after taking into consideration all the relevant factors that might affect the fair value such as, present value factors, estimates of future revenue, costs, and expected customer attrition rates. For more details on the intangible assets, see Note 6.

During the year ended December 31, 2019, the Company incurred \$835 in acquisition related expenses related to the acquisition recorded in general and administrative expenses within the statements of operations and comprehensive loss. These expenses primarily related to investment banking, legal, debt and consulting fees.

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During the year ended December 31, 2019, Revenue, Operating expenses and the resulting impact to net loss attributable to the acquisition of ADmantX S.p.A were immaterial.

#### 4. Property and equipment, net

Property and equipment consisted of the following:

	Estimated Useful Lives	December 31,	
		2019	2020
Computer and office equipment	1 to 3 years	\$ 8,308	\$ 9,167
Computer software	3 to 5 years	209	236
Leasehold improvements	Various	2,112	2,120
Furniture	5 years	309	317
		<u>10,938</u>	<u>11,840</u>
Less: Accumulated depreciation and amortization		(6,615)	(9,597)
Total property and equipment, net		<u>\$ 4,323</u>	<u>\$ 2,243</u>

Depreciation and amortization expense of property and equipment for years ended December 31, 2019 and 2020, was \$4,215 and \$2,981, respectively.

Computer and office equipment under capital leases are as follows:

	December 31,	
	2019	2020
Computer and office equipment	\$ 5,861	\$ 6,073
Less: Accumulated depreciation	(4,286)	(5,782)
Total computer and office equipment under capital leases, net	<u>\$ 1,575</u>	<u>\$ 291</u>

Depreciation expense included \$2,671 and \$1,495 for the years ended December 31, 2019 and 2020, respectively of depreciation related to computer and office equipment under capital leases.

#### 5. Internal use software, net

Internal use software consisted of the following:

	Estimated Useful Life	December 31,	
		2019	2020
Internal use software	3-5 years	\$ 10,605	\$ 19,124
Less: Impairment		(861)	—
Less: Accumulated amortization		(2,020)	(6,802)
Total internal use software, net		<u>\$ 7,724</u>	<u>\$ 12,322</u>

During the year ended December 31, 2020, the Company acquired internal-use software of \$3,075.

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Amortization expense for the years ended December 31, 2019 and 2020 was \$1,881 and \$4,813, respectively. For the year ended December 31, 2019, the Company impaired \$861 of costs related to projects that were no longer being implemented, recorded in general and administrative expenses within the statements of operations and comprehensive loss.

The estimated amortization expense for the next four years for assets held at December 31, 2020 is as follows:

	<b>Estimated Amortization Expense</b>
2021	\$ 5,826
2022	4,084
2023	1,797
2024	615
<b>Total</b>	<b>\$ 12,322</b>

During the years ended December 31, 2019 and 2020 respectively, the Company capitalized \$118 and \$0 related to internal use software projects that are currently in development.

**6. Intangible assets, net**

The gross book value, accumulated amortization, net book value and amortization periods of the intangible assets were as follows:

	<b>Estimated Useful Life</b>	<b>December 31, 2019</b>			<b>Weighted Average Remaining Useful Life</b>
		<b>Gross Book Value</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>	
Customer relationships	5-15 years	\$ 259,212	\$ (31,331)	\$ 227,881	13.5 Years
Developed technology	4-5 years	115,266	(57,240)	58,026	2.8 Years
Trademarks	9 years	17,500	(2,874)	14,626	7.5 Years
Favorable leases	6 years	198	(48)	150	4.5 Years
<b>Total</b>		<b>\$ 392,176</b>	<b>\$ (91,493)</b>	<b>\$ 300,683</b>	

	<b>Estimated Useful Life</b>	<b>December 31, 2020</b>			<b>Weighted Average Remaining Useful Life</b>
		<b>Gross Book Value</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>	
Customer relationships	5-15 years	\$ 259,329	\$ (55,282)	\$ 204,047	12.5 Years
Developed technology	4-5 years	115,921	(89,219)	26,702	2.1 Years
Trademarks	9 years	17,500	(5,018)	12,482	6.5 Years
Favorable leases	6 years	198	(81)	117	3.5 Years
<b>Total</b>		<b>\$ 392,948</b>	<b>\$ (149,600)</b>	<b>\$ 243,348</b>	

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Included in customer relationships and developed technology are \$1,200 and \$6,700, respectively, of assets acquired pursuant to the Company's acquisition of ADmantX S.p.A. (Note 3). Amortization expense related to intangibles for the years ended December 31, 2019 and 2020 were \$64,231 and \$58,090, respectively.

Amortization expense that will be charged to income for the subsequent five years and thereafter is as follows:

2021	\$ 48,693
2022	27,129
2023	26,076
2024	25,389
2025	22,942
2026 and thereafter	93,119
	<u>\$ 243,348</u>

#### 7. Goodwill

The following table provides a roll forward of the changes in the goodwill balance:

Goodwill as of January 1, 2019	\$ 448,461
Acquisition of ADmantX S.p.A (Note 3)	9,098
Impact of changes in exchange rates	90
Goodwill as of December 31, 2019	\$ 457,649
Impact of changes in exchange rates	937
Goodwill as of December 31, 2020	<u>458,586</u>

As of December 31, 2020, there were no impairment losses related to goodwill.

#### 8. Accounts payable and accrued expenses

Accounts payable and accrued expenses consisted of the following:

	December 31,	
	2019	2020
Accounts payable	\$ 4,645	\$ 8,808
Accrued expenses	5,629	11,318
Accrued interest	—	4,277
Accrued bonuses and commissions	9,430	11,883
Accrued revenue sharing	1,052	2,503
NY sales tax reserve (Note 14)	3,977	—
	<u>\$ 24,733</u>	<u>\$ 38,789</u>

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## 9. Long-term debt

### *Credit Agreement*

On July 19, 2018, the Company entered into a credit agreement with various lenders (“Credit Agreement”), providing a term facility in the aggregate principal amount of \$325,000 (“Term Loan”) and the ability to draw additional funds through a revolving facility (“Revolving Loan”) of up to \$25,000. The Term Loan and Revolving Loan have a maturity date of July 19, 2024 and July 19, 2023, respectively.

The Credit Agreement includes Paid in Kind (“PIK”) interest which bears an interest rate of 1.25% per annum. All PIK interest due is paid by capitalizing such interest and adding such applicable PIK interest to the principal amount of the outstanding Term Loan. The interest rate for the Credit Agreement may be either the (a) Alternate Base Rate, which is equal to the greatest of the base rate in effect, the Federal Funds Rate in effect on such day plus 0.5% and one month adjusted LIBOR plus 1.0%, plus an applicable margin of 5% or for eurodollar borrowings, the (b) Eurodollar rate, which is the adjusted LIBOR plus an applicable margin of 6%. The Company has elected the Eurodollar rate through 2020. The interest rate as of December 31, 2020 was 7.0%.

On November 19, 2019, the Company entered into an incremental facility assumption amendment (“Incremental Term Loan”) to the Credit Agreement which increased the aggregate principal amount by \$20,000 used to finance the ADmantX S.p.A acquisition, pay fees, costs, and expenses incurred in connection with the agreement, and finance working capital and general corporate purposes. All terms and conditions of the Term Loan remained consistent under the Incremental Term Loan. In connection with the Credit Agreement, the Company incurred debt issuance costs of \$7,476. In connection with Incremental Term Loan, the Company incurred debt issuance costs of \$473. Debt issuance costs related to the Term Loan and Incremental Term Loan were recorded as a deferred charge as a direct offset to long-term debt and are amortized into interest expense over the contractual term of the borrowings using the straight-line method. As no amounts were drawn on the Revolving Loan as of December 31, 2020, the debt issuance costs related to this facility were recorded as a deferred financing asset within prepaid expenses and other current assets and are amortized into interest expense over the contractual term of the borrowings using the straight-line method.

All of the obligations under the Credit Agreement are guaranteed by the Company and its subsidiaries other than certain excluded subsidiaries. The Credit Agreement contains covenants requiring certain financial information to be submitted monthly, quarterly and annually. The Company must maintain a minimum liquidity, as defined, and comply with a Revenue Leverage Ratio based on the last twelve months (“LTM”) which was required to be 1.60:1.00 or lower for the fourth quarter of 2020. The benchmark for the Revenue Leverage Ratio decreases through the term of the loan. The Credit Agreement also places restrictions on the incurrence of additional indebtedness, the payment of dividends, sale of assets, and entering into any merger or acquisition. As of December 31, 2020, the Company was in compliance with all covenants.

The carrying amounts of Long-term debt are as follows:

	<b>December 31,</b>	
	<b>2019</b>	<b>2020</b>
Term loan	\$ 345,000	\$ 345,000
PIK Interest	6,056	10,539
Less: Unamortized long-term debt issuance costs	(5,727)	(4,468)
Total carrying amount of Long-term debt	\$ 345,329	\$ 351,071



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Amortization expense related to debt issuance costs for the years ended December 31, 2019 and 2020 was \$1,272 and \$1,365 respectively. The Company recognized interest expense of \$27,720 and \$25,717 during the years ending December 31, 2019 and 2020 respectively.

Future principal payments of long-term debt as of December 31, 2020 are as follows:

<b>Year Ending December 31,</b>	
2021	\$ —
2022	—
2023	—
2024	345,000
Total principal payments	<u>\$ 345,000</u>

#### 10. Income taxes

Integral Ad Science Holding LLC, filed a check the box election to be treated as a regarded entity for U.S. Federal income tax purposes. The components of our income/(loss) before benefit from income taxes for the years ended December 31, 2019 and December 31, 2020 are as follows:

	<b>December 31,</b>	
	<b>2019</b>	<b>2020</b>
United States	\$ (68,361)	\$ (50,764)
Foreign Operations	1,581	5,314
Total loss before benefit from taxes	<u>\$ (66,780)</u>	<u>\$ (45,450)</u>

The components of the (benefit) provision for income taxes are as follows:

	<b>December 31,</b>	
	<b>2019</b>	<b>2020</b>
<b>Current tax (benefit) provision</b>		
Federal	\$ 397	\$ (220)
Foreign	806	1,672
State and Local	294	784
Total current tax (benefit) provision	<u>1,497</u>	<u>2,236</u>
<b>Deferred tax (benefit) provision</b>		
Federal	(14,594)	(8,467)
Foreign	(5)	102
State and Local	(2,330)	(6,947)
Total deferred tax (benefit) provision	<u>(16,929)</u>	<u>(15,312)</u>
Total (benefit) provision from income taxes	<u>\$ (15,432)</u>	<u>\$ (13,076)</u>

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The following table presents a reconciliation of the statutory federal rate and the Company's effective tax rate for the periods presented:

	<b>December 31,</b>			
	<b>2019</b>	<b>%</b>	<b>2020</b>	
Statutory U.S. federal income tax expected benefit	\$ (13,964)	21.0%	\$ (9,544)	21.0%
State income taxes, net of federal benefit	(2,037)	3.1%	(6,331)	13.9%
Foreign rate differential adjusted for U.S. taxation of foreign profits	115	(0.2%)	158	(0.3%)
Nondeductible expenses	662	1.0%	1,028	(2.3%)
Change in valuation allowance	—		—	
GILTI foreign tax credit utilization	(108)	0.2%	—	
Foreign-derived intangible income	(477)	0.7%	—	
CARES Act <sup>1</sup>	—	—	810	(1.8)%
Other	377	(0.6%)	803	(1.8)%
Income tax (benefit)	<u>\$ (15,432)</u>	<u>23.0%</u>	<u>\$ (13,076)</u>	<u>28.8%</u>

The income tax benefit for the years ended December 31, 2019 and 2020 relates principally to current period U.S. losses.

<sup>1</sup> In the U.S., on March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) into law to provide economic stimulus during a country-wide shut down.

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Deferred income taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The components of net deferred tax assets for the years ending December 31, 2019 and 2020 is as follows:

	December 31,	
	2019	2020
<b>Deferred tax assets</b>		
Capital lease obligations	\$ 496	\$ 94
Allowance for doubtful accounts	766	366
Other miscellaneous amounts	12	70
Payroll and commissions	1,598	2,606
Deferred rent	336	399
Deferred revenue	—	29
Net Operating Loss (“NOL”) and other carryforwards	37,458	31,807
Tax credit carryforward	192	283
Interest expense carryforward	10,513	11,005
<b>Total deferred tax assets</b>	<b>51,371</b>	<b>46,659</b>
Net deferred tax assets	51,371	46,659
<b>Deferred tax liabilities</b>		
Capital lease assets	(521)	(116)
Depreciation	(2,704)	(2,935)
Acquired identifiable intangibles	(88,248)	(68,402)
<b>Total deferred tax liabilities</b>	<b>(91,473)</b>	<b>(71,453)</b>
Net deferred tax liability	<b>\$ (40,102)</b>	<b>\$ (24,794)</b>

Deferred tax liabilities and assets are recognized for the expected future tax consequences of events that have been reflected in the consolidated financial statements. Deferred tax liabilities and assets are determined based on the differences between the book and tax bases of particular assets and liabilities, using tax rates in effect for the years in which the differences are expected to reverse. A valuation allowance is provided to offset deferred tax assets if, based upon the available evidence, it is more-likely-than-not that some or all of the deferred tax assets will not be realized. In evaluating our ability to recover deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of recent operations. As a result, we have not recorded a valuation allowance against our deferred tax assets. If we determine that we would not be able to realize our deferred tax assets in the future, we would record a valuation allowance, which would increase the provision for income taxes.

The Company has not provided for U.S. federal income and foreign withholding taxes on undistributed earnings from non-U.S. operations as of December 31, 2020 because the Company intends to reinvest such earnings indefinitely outside of the United States. If the Company were to distribute these earnings, foreign tax credits may become available under current law to reduce the resulting U.S. income tax liability. The amount of any unrecognized deferred tax liability related to these earnings would not be material.

As of December 31, 2020, the Company had approximately \$100,000 as compared to \$121,500 as of December 31, 2019 in U.S. federal net operating losses and \$206,300 and \$176,500 as of December 31, 2020 and

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2019 respectively, in state net operating losses. As a result of the Tax Cuts and Jobs Act, federal NOLs generated in tax years ending after December 31, 2017 are limited to a deduction of 80% of the taxpayer's taxable income. Furthermore, the post 2017 federal NOLs are subject to an indefinite carryforward period; therefore, \$100,000 and \$121,500 of as of December 31, 2020 and 2019 respectively of the federal NOL may be carried forward indefinitely. The majority of the Company's state net operating loss carryforwards will begin to expire, if not utilized, in 2029. Not all states have conformed to the Tax Cuts and Jobs Act; therefore, there are some states with indefinite carryforward periods.

#### *Uncertain tax positions*

The Company has adopted certain provisions of ASC 740, "Income Taxes", which prescribes a recognition threshold and measurement attribute for the recognition and measurement of tax positions taken or expected to be taken in income tax returns. The provisions also provide guidance on the de-recognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, and accounting for interest and penalties associated with tax positions.

The Company files income tax returns in the U.S. federal jurisdiction, and in various state and foreign jurisdictions. The Company's tax returns are subject to tax examinations by U.S. federal and state tax authorities, or examinations by foreign tax authorities until the expiration of the respective statutes of limitation. The Company's 2017 Federal Tax return is currently under audit.

As of December 31, 2020, the Company does not have an accrual relating to uncertain tax positions. It is not anticipated that unrecognized tax benefits would significantly increase or decrease within 12 months of the reporting date.

#### **11. Segment data**

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM"), in deciding how to allocate resources and in assessing performance. The Company's Chief Executive Officer is the CODM.

The Company manages its operations as a single segment for the purpose of assessing and making operating decisions. The Company's CODM allocates resources and assesses performance based upon financial information at the consolidated level. Since the Company operates in one operating segment, all required financial segment information can be found in the consolidated financial statements.

The following table summarizes revenue by geographic area:

	<b>December 31,</b>	
	<b>2019</b>	<b>2020</b>
<b>Revenue:</b>		
Americas	\$ 136,152	\$ 148,276
EMEA	58,329	67,691
APAC	19,005	24,666
Total	<u>\$ 213,486</u>	<u>\$ 240,633</u>

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The following table summarizes property and equipment, net by geographic for the years ended December 31, 2019 and 2020:

	<u>December 31,</u>	
	<u>2019</u>	<u>2020</u>
<b>Property and Equipment, net</b>		
Americas	\$ 3,800	\$ 1,954
EMEA	513	282
APAC	10	7
Total	<u>\$ 4,323</u>	<u>\$ 2,243</u>

## 12. Equity-based compensation

### *Integral Ad Science Holding LLC Long-Term Incentive Plan*

During 2018, the Company adopted the Long-Term Incentive Plan (“LTIP”). Under the LTIP, certain employees of the Company and its subsidiaries were granted long-term target incentive cash awards which will be payable subject to continued employment, upon the sale of the Company, or, sale to a third party of at least 50% of the Vista’s equity interest, provided if such sale of equity interests is through a public offering (whether initial or secondary), it would require the transfer of an aggregate of at least 75% of Vista’s equity interest and the achievement of a total equity return multiple of 3.0 or greater. Total equity return multiple is computed based on the quotient of the cumulative total of all cash distributions or cash proceeds received, divided by Vista’s total investment in the Company. The total amount of long-term incentive cash awards based on achieving a total equity return of 3.0 as of December 31, 2019 and 2020 are \$8,410 and \$10,560, respectively. As the multiple is tied to an equity return multiple, any compensation charge associated with these awards is considered equity-based compensation in accordance with U.S. GAAP. Since the liquidity events described above are contingent and generally not considered probable until the event occurs, no compensation expense for the LTIP has been recognized for the years ended December 31, 2019 and December 31, 2020.

### *Integral Ad Science Holding LLC 2018 Stock Option Plan*

On August 1, 2018, the Company adopted the 2018 Non-Qualified Stock Option Plan (“2018 Plan”) and granted awards in order to provide incentives to certain employees and directors of the Company. Under the 2018 Plan, 48,695 units were reserved out of Integral Ad’s authorized but unissued units. These units were reserved for issuance, sale and delivery upon the exercise of any option to purchase the member units in accordance with the terms of the 2018 Plan. The units issued upon exercise will be designated as option units and are subject to repurchase by the Company under certain conditions, no earlier than the later of the unit holder’s termination or 181 days after the acquisition of such unit. If an option unit holder is no longer employed or providing equivalent services to the Company, the Company may elect to repurchase all or a portion of such units at a price equal to i) original cost in the event of termination for cause or resignation for any reason, or ii) fair value in the event of termination without cause.

During the years ending December 31, 2019 and 2020, the Company granted a total of 27,589 and 10,092 options to purchase units, respectively. Each grant is made up of two-thirds Time Based Service Options and one-third Return Target Options, as defined below.

*Time Based Service Options* vest over four years with 25% vesting after 12 months and an additional 6.25% vests at the end of each successive quarters thereafter.

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*Return Target Options* vest upon the sale of the Company, or, sale or transfer to any third party of units, as a result of which, any person or group other than Vista obtains possession of voting power to elect a majority of the Company's board of directors or any other governing body and the achievement of a total equity return multiple of 3.0 or greater. An option holder must be an employee of the Company at the date when these conditions are achieved. No expense has been recorded for the Return Target Options for the years ended December 31, 2019 and December 31, 2020. Unrecognized equity-based compensation related to the Return Target Options for the years ended December 31, 2019 and 2020 were \$4,705 and \$5,652, respectively. As fully vested and exercised Time-Based Service Options can be repurchased by the Company at cost upon resignation of the employee, the Company has determined that the Time-Based Service Options as presently structured does not provide the holder of the award with the potential benefits associated with an equity award holder. As such, these awards are not being accounted for as an equity-based award but rather compensation cost will be recognized when the benefit to the employee is probable.

The Return Target Options are considered to contain both market (total unitholder return threshold) and performance (exit event) conditions. As such, the award is measured on the date of grant using a modified Black-Scholes Option model and a Monte Carlo simulation, and expense will be recorded at the time of an exit event. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

The weighted average grant date fair value for the Return Target Options granted during the years ended December 31, 2019 and 2020, were \$379.68 and \$637.86, respectively.

***Time Based Service Option activity***

Time Based Service Option activity is as follows:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Intrinsic Value
<b>Outstanding at December 31, 2018</b>	19,275	\$ 1,000	9.60	\$ —
Granted	18,393	1,011	9.25	—
Canceled or forfeited	(14,201)	1,000	—	—
Exercised	—	—	—	—
<b>Outstanding at December 31, 2019</b>	<u>23,467</u>	<u>\$ 1,009</u>	<u>9.10</u>	<u>\$ —</u>
Vested and expected to vest as of December 31, 2019	23,467	\$ 1,009	9.10	—
Exercisable as of December 31, 2019	1,712	\$ 1,000	8.61	—

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	<u>Options</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Life (years)</u>	<u>Intrinsic Value</u>
<b>Outstanding at December 31, 2019</b>	23,467	\$ 1,009	9.10	\$ —
Granted	6,728	1,638	9.6	—
Canceled or forfeited	(4,950)	1,051	—	—
Exercised	—	—	—	—
<b>Outstanding at December 31, 2020</b>	<u>25,245</u>	<u>1,168</u>	<u>8.47</u>	<u>—</u>
Vested and expected to vest as of December 31, 2020	25,245	1,168	8.47	—
Exercisable as of December 31, 2020	7,640	\$ 1,010	8.16	—

**Return Target Option activity**

Return Target Option activity is as follows:

	<u>Options</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Life (years)</u>	<u>Intrinsic Value</u>
<b>Outstanding at December 31, 2018</b>	9,638	\$ 1,000	9.60	\$ —
Granted	9,196	1,011	9.25	—
Canceled or forfeited	(7,100)	1,000	—	—
Exercised	—	—	—	—
<b>Outstanding at December 31, 2019</b>	<u>11,734</u>	<u>\$ 1,009</u>	<u>9.10</u>	<u>\$ —</u>
Vested and expected to vest as of December 31, 2019	11,734	\$ 1,009	9.10	—

	<u>Options</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Life (years)</u>	<u>Intrinsic Value</u>
<b>Outstanding at December 31, 2019</b>	11,734	\$ 1,009	9.10	\$ —
Granted	3,364	1,638	9.6	—
Canceled or forfeited	(2,475)	1,051	—	—
Exercised	—	—	—	—
<b>Outstanding at December 31, 2020</b>	<u>12,623</u>	<u>1,168</u>	<u>8.47</u>	<u>—</u>
Vested and expected to vest as of December 31, 2020	12,623	1,168	8.47	—

**13. Members' equity**

Integral Ad Science Holding LLC., an affiliate of Vista, is a single member LLC. The Company's Board of Directors, through the Integral Ad Science Holding LLC. Amended and Restated Agreement (the "Operating Agreement"), has the authority to admit additional members. During the years ended December 31, 2019 and 2020, the Company repurchased 3,107 and 145 units, respectively for \$3,169 and \$167, respectively. The

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repurchase of units has been accounted for as a reduction in members' equity. The repurchases in excess of par value were \$62 and \$22 for the years ended December 31, 2019 and 2020, respectively, and were recorded to accumulated deficit. During the year ended December 31, 2020, 150 units vested and remained outstanding. Under the terms of the Operating Agreement, the members of Integral Ad Science Holding LLC. are not obligated for debt, liabilities, contracts or other obligations of Integral Ad Science Holding LLC. Profits and losses are allocated to members as defined in the Operating Agreement.

#### **14. Commitments and contingencies**

##### ***Indemnifications***

In its normal course of business, the Company has made certain indemnities, commitments, and guarantees under which it may be required to make payments in relation to certain transactions. Those indemnities include intellectual property indemnities to the Company's customers, indemnities to directors and officers of the Company to the maximum extent permitted under the laws of the State of Delaware, and indemnifications related to the Company's lease agreements. In addition, the Company's advertiser, publisher and distribution partner agreements contain certain indemnification provisions which are generally consistent with those prevalent in the Company's industry. The Company has not incurred any obligations under indemnification provisions historically and does not expect to incur significant obligations in the future. Accordingly, the Company has not recorded any liability for these indemnities, commitments, and guarantees in the accompanying balance sheets.

##### ***Operating leases***

The Company leases office space under operating leases, which expire on various dates through May 2026. Certain leases relating to office space include scheduled annual rent increases. Rent expense under operating leases is recognized on a straight-line basis over the lease terms. The excess of expense over payments is recorded as accrued rent on the consolidated balance sheets.

Operating lease expense for office space for the years ended December 31, 2019 and 2020, were \$7,952 and \$8,042, respectively.

Future minimum payments, by year and in the aggregate under operating leases with initial or remaining terms of one year or more, as of December 31, 2020, are as follows:

2021	\$ 6,783
2022	5,892
2023	5,278
2024	4,555
2025	3,264
2026 and thereafter	1,275
	<u>\$ 27,047</u>

##### ***Capital leases***

The Company leases equipment under capital leases. The equipment leases include options to renew, return or purchase at the end of the lease term.



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Future minimum rental payments under the capital leases as of December 31, 2020 are as follows:

Total minimum lease payments	\$331
Less: Amount representing interest	(6)
Total	<u>\$325</u>
Present value of net minimum lease payments, current	<u>\$325</u>

***Purchase Commitments***

In the ordinary course of business, the Company enters into various purchase commitments primarily related to third-party cloud hosting and data services, and IT operation. Total noncancelable purchase commitments as of December 31, 2020 were approximately \$70,000 for periods through 2024.

***Contingency reserve***

During 2019, the Company determined that an exposure for a New York State Sales and Use tax audit is probable and recorded a reserve of \$3,977. The reserve was recorded within Accounts payable and accrued expenses in the balance sheets. The Company also recorded an indemnification asset of \$3,100 to represent the contractual obligation by the Company's former stakeholders. The indemnification asset was recorded within Prepaid expenses and other current assets in the consolidated balance sheets. During 2020, upon completion of the audit, the reserved amounts were paid to New York State and the amounts in escrow were released.

**15. Employee contribution plans**

The Company is a sponsor of certain qualified defined contribution plans covering all eligible employees. Such plans provide for matching contributions and in certain plans profit-sharing contributions. The Company made matching contributions of \$1,879 and \$2,984 for the years ended December 31, 2019 and 2020, respectively.

**16. Net loss per unit**

Basic and diluted loss per unit is computed by dividing net loss by the weighted-average units outstanding:

	<u>December 31,</u>	
	<u>2019</u>	<u>2020</u>
<b>Numerator:</b>		
Net loss	\$ (51,348)	\$ (32,374)
<b>Denominator:</b>		
Weighted average units outstanding, basic and diluted	<u>543,840</u>	<u>553,902</u>
Net loss per unit, basic and diluted	<u>\$ (94.42)</u>	<u>\$ (58.45)</u>

As the Company has reported net loss for the period presented, all potentially dilutive securities are antidilutive. The following potential outstanding Time-Based Service Options were excluded from the computation of diluted net loss per unit attributable to common unitholders for the years presented because

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including them would have been antidilutive. Since the conditions associated with the vesting of the Return Target Options have not occurred as of the reporting date, such options are excluded from the table below.

	Year Ended December 31,	
	2019	2020
Options to purchase member units	23,467	25,245

## 17. Fair value disclosures

### *Financial instruments*

At December 31, 2020, the carrying value of cash and cash equivalents, restricted cash, accounts receivable and accounts payable approximated fair value.

### *Term loan*

The table below provides the book value and estimated fair value of our debt:

	Fair value hierarchy	Book value	Estimated fair value
Term loan (a)			
December 31, 2019	Level 2	\$ 351,056	\$ 375,081
December 31, 2020	Level 2	\$ 355,539	\$ 375,228

(a) The estimated fair value of our Term Loan is based upon market prices as of the valuation date.

## 18. Related-party transactions

The Company paid for consulting services and other expenses related to services provided by Vista Consulting Group, LLC (“VCG”). Total expenses incurred by the Company for VCG (*the related party*) were \$2,435 and \$929 for the years ended December 31, 2019 and 2020. These costs were included in general and administrative expenses. Amount due to VCG, consisting of dues for the consulting services totaled \$640 and \$39 as of December 31, 2019 and 2020.

The Company paid Vista Equity Partners Management, LLC (“VEP”) \$37 and \$134 during the years ended December 31, 2019 and 2020, respectively, for various travel and other expenses. These costs were included in general and administrative expenses. Amount due to VEP, totaled \$101 as of December 31, 2020.

The Company has subscription software arrangements with companies owned by Vista Equity Partners as follows: Total expenses incurred by the Company for Mediaocean (*the related party*) were \$175 and \$120 for the years ended December 31, 2019 and 2020 respectively, of which \$90 and \$120 were included in cost of revenue and \$85 and \$0 in sales and marketing expenses for the years ended December 31, 2019 and 2020, respectively. Amount due to Mediaocean, totaled \$10 as of December 31, 2020. Total expenses incurred by the Company for Navex Global, Inc. (*the related party*) were \$24 and \$29 for the years ended December 31, 2019 and 2020, respectively. These costs were included in general and administrative expenses.

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**19. Subsequent events**

The Company has evaluated subsequent events that have occurred from the balance sheet date of December 31, 2020 through March 31, 2021, the date the consolidated financial statements were available to be issued.

***Debt-related financial covenants***

The Company has financial covenants underlying its debt which require its revenue to debt ratio to meet certain thresholds. Such debt-related covenants become more restrictive over successive quarters through June of 2021. In accordance with ASU 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, the Company believes that based upon current facts and circumstances, its existing cash coupled with the cash flows generated from operations will be sufficient to meet its cash needs for 12 months from the date of issuance of these financial statements.

***COVID-19***

Since January 2020, an outbreak of the 2019 novel coronavirus (COVID-19) has evolved into a worldwide pandemic. The outbreak sparked responses across countries, states and cities worldwide to enforce various measures of social distancing, shelter-in-place orders, and temporary closure of non-essential businesses to reduce further transmission of the virus. As a result of these measures, the U.S. and global markets have seen significant disruption, the extent and duration of which remains highly uncertain. Due to the pandemic, we have temporarily closed our offices globally, including our corporate headquarters, and are operating with substantially all staff working remotely.

To date, we have not experienced a material increase in customers' cancellations, or requests for more favorable contractual terms, or concessions. In addition, we have not experienced a significant deterioration in the collectability of our receivables or a material negative impact from our vendors and third-party service providers. Further, the Company has not incurred impairment losses in the carrying values of its assets as result of the pandemic and it is not aware of any specific related events or circumstance that would require a revision to the estimates reflected in these consolidated financial statements.

We have had sufficient liquidity and capital resources to continue to meet our operating needs and our ability to continue to service our debt or other financial obligations is not currently impaired.

***Asset acquisition***

On January 13, 2021, the Company acquired certain assets for cash of \$3,800. The assets acquired primarily comprised of acquired technology for real-time, impression-level financial reporting, which provides the transparency needed to help advertisers and brands optimize their digital media spend.

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**20. Condensed Financial Information of Registrant (Parent Company Only)**

**Integral Ad Science Holding LLC**  
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**(Parent Company Only)**  
**Condensed Balance Sheets**  
**(In thousands, except unit data)**

	<b>December 31,</b>	
	<b>2019</b>	<b>2020</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ —	\$ —
Total current assets	—	—
Investment in subsidiaries	459,672	431,479
Total assets	<u>\$ 459,672</u>	<u>\$ 431,479</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current liabilities	\$ —	\$ —
Total current liabilities	—	—
Total liabilities	—	—
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>MEMBERS' EQUITY:</b>		
Units, \$1,000 par value, 608,695 units authorized at December 31, 2019, and 2020, 553,862, and 553,867 units issued and outstanding at December 31, 2019 and 2020, respectively	553,862	553,717
Accumulated other comprehensive income	175	4,523
Accumulated deficit	(94,365)	(126,761)
<b>Total members' equity</b>	<u>459,672</u>	<u>431,479</u>
Total liabilities and members' equity	<u>\$ 459,672</u>	<u>\$ 431,479</u>

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**Integral Ad Science Holding LLC.  
(formerly known as Kavacha Topco, LLC)  
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Condensed Statements of Operations  
(In thousands)**

	Year Ended December 31,	
	2019	2020
Revenue	\$ —	—
Operating expenses	—	—
Operating income	—	—
Interest income, net	—	—
Income before provision for income taxes and equity in net income of subsidiaries	—	—
Benefit from income taxes	—	—
Equity in net loss of subsidiaries	(51,348)	(32,374)
Net loss	<u>\$ (51,348)</u>	<u>\$ (32,374)</u>

**Integral Ad Science Holding, LLC.  
(formerly known as Kavacha Topco, LLC)  
(Parent Company Only)  
Condensed Statements of Comprehensive Income (Loss)  
(In thousands, except unit and per unit data)**

	Year Ended December 31,	
	2019	2020
Net loss	\$ (51,348)	\$ (32,374)
Other comprehensive income, net of tax:		
Subsidiaries' other comprehensive income	421	4,348
Total other comprehensive income	421	4,348
Total comprehensive loss	<u>\$ (50,927)</u>	<u>\$ (28,026)</u>

**Business and basis of presentation**

***Description of business***

The Company owns 100% of Kavacha Intermediate, LLC, which owns 100% of Kavacha Holdings, LLC, which owns 100% of Integral Ad Science Inc.

The Company, formerly known as Kavacha Topco, LLC, is a holding company with no material operations of its own, no direct outstanding debt obligations and it conducts substantially all its activities through its subsidiaries. The Company's wholly owned subsidiaries are subject to the terms and restrictions in the Credit

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Agreement. Included in the Credit Agreement are terms that limit the ability of the borrower, Integral Ad Science, Inc., to pay dividends or lend to the Company. Those limitations are subject to certain exceptions as defined in the Credit Agreement. The Credit Agreement limits the ability of Integral Ad Science Inc. and the Company's subsidiaries to, among other things, pay dividends or distributions, incur additional debt, incur liens on assets, enter into certain investments, loans or advances, and enter into merger or consolidation agreements. As a result of the aforementioned restrictions, substantially all of the assets of the Company's subsidiaries are restricted.

***Basis of presentation***

These condensed financial statements have been presented on a "parent-only" basis. Under a parent-only presentation, the parent's investments in subsidiaries are presented under the equity method of accounting. A condensed statements of cash flows was not presented because the parent has no material operating, investing, or financing cash flow activities for the years ended December 31, 2019 and 2020. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. As such, these parent-only statements should be read in conjunction with the accompanying notes to the consolidated financial statements.

**INTEGRAL AD SCIENCE HOLDING LLC**  
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**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

(IN THOUSANDS, EXCEPT UNIT DATA)	December 31, 2020	March 31, 2021
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 51,734	\$ 50,751
Restricted cash	187	27
Accounts receivable, net	45,418	41,704
Unbilled receivables	28,083	25,001
Prepaid expenses and other current assets	4,101	9,519
Total current assets	129,523	127,002
Property and equipment, net	2,243	1,831
Internal use software, net	12,322	16,687
Intangible assets, net	243,348	230,891
Goodwill	458,586	458,138
Other long-term assets	3,557	3,980
Total assets	<u>\$ 849,579</u>	<u>\$ 838,529</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 38,789	\$ 32,637
Due to related party	150	—
Capital leases payable, current portion	325	190
Deferred revenue	1,144	1,071
Total current liabilities	40,408	33,898
Accrued rent	1,827	1,863
Net deferred tax liability	24,794	25,387
Long-term debt	351,071	351,780
Total liabilities	418,100	412,928
COMMITMENTS AND CONTINGENCIES (Note 13)		
<b>MEMBERS' EQUITY</b>		
Units, \$1,000 par value, 608,695 units authorized at December 31, 2020 and March 31, 2021, 553,867 units issued and outstanding at December 31, 2020 and 553,454 units issued and outstanding at March 31, 2021	553,717	553,304
Additional paid-in-capital	—	—
Accumulated other comprehensive income	4,523	2,619
Accumulated deficit	(126,761)	(130,322)
Total members' equity	431,479	425,601
Total liabilities and members' equity	<u>\$ 849,579</u>	<u>\$ 838,529</u>

See notes to the unaudited condensed consolidated financial statements

**INTEGRAL AD SCIENCE HOLDING LLC**  
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**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)**

(IN THOUSANDS, EXCEPT UNIT AND PER UNIT DATA)	Three Months Ended March 31,	
	2020	2021
Revenue	\$ 54,042	\$ 66,952
Operating expenses:		
Cost of revenue (excluding depreciation and amortization shown below)	9,155	11,420
Sales and marketing	18,370	16,545
Technology and development	12,336	12,769
General and administrative	7,640	8,547
Depreciation and amortization	16,338	14,395
Total operating expenses	63,839	63,676
Operating (loss) income	(9,797)	3,276
Interest expense, net	(8,258)	(6,960)
Net loss before benefit from income taxes	(18,055)	(3,684)
Benefit from income taxes	3,611	912
Net loss	\$ (14,444)	\$ (2,772)
Net loss per unit — basic and diluted	\$ (26.08)	\$ (5.01)
Basic and diluted weighted average units outstanding	553,938	553,751
Other comprehensive loss:		
Foreign currency translation adjustments	(1,914)	(1,904)
Total comprehensive loss	\$ (16,358)	\$ (4,676)

See notes to the unaudited condensed consolidated financial statements



**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY (UNAUDITED)**

(IN THOUSANDS, EXCEPT UNIT DATA)	Members' interest			Accumulated other comprehensive income (loss)	Accumulated deficit	Total members' equity
	Units	Amount	Additional paid-in capital			
<b>Balance, December 31, 2019</b>	553,862	\$553,862	\$ —	\$ 175	\$ (94,365)	\$459,672
Repurchase of units	(84)	(84)	—	—	(12)	(96)
Units vested	150	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	(1,914)	—	(1,914)
Net loss	—	—	—	—	(14,444)	(14,444)
<b>Balance, March 31, 2020</b>	<u>553,928</u>	<u>\$553,778</u>	<u>\$ —</u>	<u>\$ (1,739)</u>	<u>\$ (108,821)</u>	<u>\$443,218</u>

(IN THOUSANDS, EXCEPT UNIT DATA)	Members' interest			Accumulated other comprehensive income (loss)	Accumulated deficit	Total members' equity
	Units	Amount	Additional paid-in capital			
<b>Balance, December 31, 2020</b>	553,867	\$553,717	\$ —	\$ 4,523	\$ (126,761)	\$431,479
Repurchase of units	(413)	(413)	—	—	(789)	(1,202)
Foreign currency translation adjustment	—	—	—	(1,904)	—	(1,904)
Net loss	—	—	—	—	(2,772)	(2,772)
<b>Balance, March 31, 2021</b>	<u>553,454</u>	<u>\$553,304</u>	<u>\$ —</u>	<u>\$ 2,619</u>	<u>\$ (130,322)</u>	<u>\$425,601</u>

See notes to the unaudited condensed consolidated financial statements

**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

(IN THOUSANDS)	<b>Three Months Ended March 31,</b>	
	2020	2021
<b>Cash flows from operating activities:</b>		
Net loss	\$ (14,444)	(2,772)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization	16,338	14,395
Amortization of debt issuance costs	341	341
Allowance (reversal of) for doubtful accounts	479	(266)
Non-cash interest expense	1,109	395
Changes in operating assets and liabilities:		
Decrease in accounts receivable	1,804	3,556
Decrease in unbilled receivables	4,391	2,939
Increase in prepaid expenses and other current assets	(5,459)	(3,743)
Increase in other long-term assets	(32)	(151)
Decrease in accounts payable and accrued expenses	(3,052)	(6,833)
Decrease in due to related party	(480)	(151)
Increase in accrued rent	78	31
Increase (decrease) in deferred revenue	336	(44)
Net cash provided by operating activities	1,409	7,697
<b>Cash flows from investing activities:</b>		
(Purchase of) proceeds from sale of property and equipment	(125)	5
Acquisition and development of internal use software	(4,774)	(6,382)
Net cash used in investing activities	(4,899)	(6,377)
<b>Cash flows from financing activities:</b>		
Principal payments on capital lease obligations	(516)	(136)
Cash paid for unit repurchases	(96)	(1,202)
Net cash used in financing activities	(612)	(1,338)
Net decrease in cash, cash equivalents and restricted cash	(4,102)	(18)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(654)	(846)
Cash, cash equivalents and restricted cash at beginning of period	30,370	54,721
<b>Cash, cash equivalents, and restricted cash, at end of period</b>	<b>\$ 25,614</b>	<b>\$ 53,857</b>
<b>Supplemental Disclosures:</b>		
Cash paid during the period for:		
Interest	\$ 6,838	\$ 6,281
Taxes	\$ 294	\$ 326
<b>Non-cash investing and financing activities:</b>		
Property and equipment acquired included in accounts payable	\$ 109	\$ 93
Deferred offering costs accrued, not yet paid	\$ —	\$ 1,676

See notes to the unaudited condensed consolidated financial statements

**INTEGRAL AD SCIENCE HOLDING LLC**  
**(FORMERLY KNOWN AS KAVACHA TOPCO, LLC)**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(IN THOUSANDS, EXCEPT UNIT AND PER UNIT DATA)**  
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**1. Description of Business and Basis of Presentation**

***Description of Business***

Integral Ad Science Holding LLC and its wholly-owned subsidiaries (together, the “Company”), formerly known as Kavacha Topco, LLC, is a leading global digital advertising verification company by revenue. The Company’s mission is to be the global benchmark for trust and transparency in digital media quality for the world’s leading brands, publishers, and platforms. The Company’s cloud-based technology platform provides actionable insights and deliver independent measurement and verification of digital advertising across all devices, channels, and formats, including desktop, mobile, connected TV (“CTV”), social, display, and video. The Company’s proprietary and Media Rating Council (the “MRC”) accredited Quality Impressions™ metric is designed to verify that digital ads are served to a real person rather than a bot, viewable on-screen, and appear in a brand-safe and suitable environment in the correct geography. The Company is an independent, trusted partner for buyers and sellers of digital advertising to increase accountability, transparency, and effectiveness in the market. The Company helps advertisers optimize their ad spend and better measure consumer engagement with campaigns across platforms, while enabling publishers to improve their inventory yield and revenue.

The Company has its operations within the U.S. in New York, California, Illinois, Washington, Texas and Virginia. Operations outside the U.S. are within the U.K., Germany, Italy, Spain, Sweden, Singapore, Australia, France, Japan, Canada, Hong Kong and Brazil.

On February 23, 2021, the Company amended the certificate of formation of Kavacha Topco, LLC to change the name of the Company to Integral Ad Science Holding LLC.

**2. Summary of significant accounting policies**

This summary of significant accounting policies is presented to assist in understanding the Company’s condensed consolidated financial statements. These accounting policies have been consistently applied in the preparation of the condensed consolidated financial statements.

***(a) Basis of presentation***

The Company’s condensed consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and reflect the financial position, results of operations and cash flows for all periods presented. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America

The accompanying interim condensed consolidated balance sheet as of March 31, 2021, the condensed consolidated statements of operations and comprehensive loss, of cash flows and of members’ equity for the three months ended March 31, 2020 and 2021, and the related footnote disclosures are unaudited. These unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and, in management’s opinion, include all adjustments necessary to state fairly the condensed consolidated financial position of the Company. All adjustments made were of a normal recurring nature. The results for the three months ended March 31, 2021 are not necessarily indicative of the results to be expected for the year ending December 31, 2021 or for any future period.

**INTEGRAL AD SCIENCE HOLDING LLC  
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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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The Company's significant accounting policies are discussed in Note 2 to the consolidated financial statements included in our Prospectus. There have been no significant changes to these policies that have had a material impact on the Company's condensed consolidated financial statements and related notes for the three months ended March 31, 2021. Therefore, these unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Company's Prospectus for the years ended December 31, 2020 and 2019. The following describes the impact of certain policies.

***(b) Basis of consolidation***

The condensed consolidated financial statements include the accounts of Integral Ad Science Holding LLC and its wholly-owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

***(c) Use of estimates***

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates include the allocation of purchase price consideration in the business combination and the related valuation of acquired assets and liabilities, the estimated useful lives of our property and equipment, intangible assets and internal use software, the allowance for doubtful accounts, and goodwill impairment testing; the assumptions used to calculate equity-based compensation; and the realization of deferred tax assets. The Company bases its estimates on past experience, market conditions, and other assumptions that the Company believes are reasonable under the circumstances, and the Company evaluates these estimates on an ongoing basis.

Beginning in the first quarter of 2020, the COVID-19 pandemic caused by the novel coronavirus has negatively impacted, and may continue to negatively impact, the macroeconomic environment in the United States and globally, as well as the Company's business, financial condition and results of operations. Due to the evolving and uncertain nature of COVID-19, it is reasonably possible that it could materially impact the Company's estimates, particularly those noted above that require consideration of forecasted financial information, in the near to medium term. The ultimate impact will depend on numerous evolving factors that the Company may not be able to accurately predict, including the duration and extent of the pandemic, the impact of federal, state, local and foreign governmental actions, consumer behavior in response to the pandemic and other economic and operational conditions the Company may face.

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**(d) Restricted cash**

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets to the amounts shown in the condensed consolidated statements of cash flows.

	December 31, 2020	March 31, 2021
Cash and cash equivalents	\$ 51,734	\$ 50,751
Short term restricted cash	187	27
Long term restricted cash	2,800	3,079
Total cash, cash equivalents, and restricted cash shown in the condensed consolidated statements of cash flows	<u>\$ 54,721</u>	<u>\$ 53,857</u>

**(e) Accounts receivable, net**

The activity in our allowance for doubtful accounts consists of the following for the periods ended March 31, 2020 and March 31, 2021 is as follows:

	March 31, 2020	March 31, 2021
Balance at beginning of period	\$ 5,843	\$ 4,257
Additional provision (reversal)	479	(266)
Receivables written off	(196)	(574)
Balance at end of period	<u>\$ 6,126</u>	<u>\$ 3,417</u>

**(f) Equity-based compensation**

Equity-based compensation is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period, which is generally the vesting period. The Company estimates expected forfeitures of equity-based awards at the grant date and recognizes compensation cost only for those awards expected to vest. The forfeiture assumption is ultimately adjusted to the actual forfeiture rate. Therefore, changes in the forfeiture assumptions may affect the timing of the total amount of expense recognized over the vesting period. Estimated forfeitures are reassessed in each reporting period and may change based on new facts and circumstances.

For awards subject to performance and market conditions, the fair value of each option grant is estimated on the date of grant using a modified Black-Scholes Option model and a Monte Carlo simulation, which utilizes multiple inputs to estimate the probability that market conditions will be achieved. The models require highly subjective assumptions as inputs, including the following:

*Expected term* — The expected term for awards subject to market and performance conditions, represents the weighted-average period the stock options are expected to be outstanding.

*Expected volatility* — The Company estimated its future stock price volatility based upon observed option-implied volatilities for a group of peer companies. The Company believes this is the best estimate of the expected volatility over the weighted-average expected term of its option grants. The Company will continue to analyze the historical stock price volatility and expected term assumptions as more historical data for the Company's common stock becomes available.

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*Risk-free interest rate* — The risk-free interest rate is based on the implied yield currently available on U.S. Treasury instruments with terms approximately equal to the expected term of the option.

*Expected dividend* — The expected dividend assumption was based on the Company's history and expectation of dividend payouts. The Company currently has no history or expectation of paying cash dividends on its units.

*Fair value of the units*— The fair value of the units underlying the options has historically been determined by the Company's board of directors. Because there has been no public market for the Company's common stock, the board of directors exercises reasonable judgment and considers numerous objective and subjective factors to determine the best estimate of the fair value of the Company's common stock, including independent third-party valuations of the Company's common stock, operating and financial performance, and general and industry-specific economic outlook, amongst other factors. The fair value of the Company's option grants is estimated at the grant date using the Monte Carlo simulation model.

	<b>March 31,</b>	
	<b>2020</b>	<b>2021</b>
Estimated fair value	\$ 486.78	\$ 982.61
Estimated fair value of the units or exercise price	\$ 1,259.25	\$3,001.47
Expected volatility (%)	65%	70%
Expected term (in years)	6.63	5.25
Risk-free interest rate (%)	0.55%	0.42%
Dividend yield	—	—

**(g) Deferred offering costs**

Deferred offering costs are capitalized and consist of fees incurred in connection with the anticipated sale of common stock in an IPO and include legal, accounting, printing, and other IPO-related costs. Upon completion of an IPO, these deferred costs will be reclassified to members'/stockholders' equity and recorded against the proceeds from the offering. In the event an IPO is terminated, the deferred offering costs would be expensed in the period of termination as a charge to operating expenses in the condensed consolidated statements of operations and comprehensive loss. Deferred offering costs of \$1,904 are included within prepaid expenses and other current assets as of March 31, 2021. No such costs were incurred as of December 31, 2020.

**(h) Recently adopted accounting pronouncements**

The Company early adopted ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* effective January 1, 2021, which simplifies the accounting for income taxes, eliminates certain exceptions within ASC 740, *Income Taxes*, and clarifies certain aspects of the current guidance to promote consistency among reporting entities. Most amendments within ASU No. 2019-12 are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The adoption of ASU No. 2019-12 did not have a material impact on the Company's condensed consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15, "Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract", which requires customers in a cloud

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computing arrangement that is a service contract to follow the internal use software guidance in ASC 350-40 to determine which implementation costs to capitalize as assets. The guidance requires certain costs incurred during the application development stage to be capitalized and other costs incurred during the preliminary project and post-implementation stages to be expensed as they are incurred. Capitalized implementation costs related to a hosting arrangement that is a service contract will be amortized over the term of the hosting arrangement, beginning when the module or component of the hosting arrangement is ready for its intended use. A customer's accounting for the hosting component of the arrangement is not affected. The Company adopted this guidance on January 1, 2021 on a prospective basis. The adoption of ASU 2018-15 did not have a material impact on the Company's condensed consolidated financial statements.

***(i) Accounting pronouncements not yet adopted***

In March 2020, the FASB issued ASU 2020-04, "Facilitation of the Effects of Reference Rate Reform on Financial Reporting," which intends to address accounting consequences that could result from the global markets' anticipated transition away from the use of the London Interbank Offered Rate ("LIBOR") and other interbank offered rates to alternative reference rates. The amendments in this ASU provide operational expedients and exceptions for applying U. S GAAP to contracts, hedging relationships and other transactions to affected by reference rate reform if certain criteria are met. The amendments in this ASU apply only to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of the reference rate reform. The optional amendments are effective for all entities as of March 12, 2020, through December 31, 2022. The Company intends to elect to apply certain of the optional expedients when evaluating the impact of reference rate reform on its debt instruments that reference LIBOR.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)". Under the new guidance, lessees will be required to put most leases on their balance sheets but to recognize expenses in the income statement in a manner similar to current accounting. The guidance also eliminated the current real estate-specific provisions and changes the guidance on sale-leaseback transactions, initial direct costs, and lease executory costs for all entities. The updated guidance will be effective for the Company beginning January 1, 2022, with early adoption permitted. Upon adoption, entities will be required to use the modified retrospective approach for leases that exist, or are entered into, after the beginning of the earliest comparative period in the financial statements. In July 2018, the FASB issued ASU 2018-11, Leases (Topic 842), Targeted Improvements, which allows entities to not apply the new leases standard, including its disclosure requirements, in the comparative periods they present in their financial statements in the year of adoption. The Company is currently evaluating the potential effect that adopting this guidance will have on its condensed consolidated financial statements.

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**3. Property and equipment, net**

Property and equipment consisted of the following as of December 31, 2020 and March 31, 2021:

	Estimated Useful Life	December 31, 2020	March 31, 2021
Computer and office equipment	1 – 3 Years	\$ 9,167	\$ 9,246
Computer software	3 – 5 Years	236	236
Leasehold improvements	Various	2,120	2,124
Furniture	5 Years	317	332
		<u>11,840</u>	<u>11,938</u>
Less: Accumulated depreciation		(9,597)	(10,107)
Total property and equipment, net		<u>\$ 2,243</u>	<u>\$ 1,831</u>

Depreciation expense of property and equipment for the three months ended March 31, 2020 and 2021 was \$852 and \$510, respectively.

Computer and office equipment under capital leases as of December 31, 2020 and March 31, 2021 is as follows:

	December 31, 2020	March 31, 2021
Computer and office equipment	\$ 6,073	\$ 6,073
Less: Accumulated depreciation	(5,782)	(5,918)
Total computer and office equipment under capital leases, net	<u>\$ 291</u>	<u>\$ 155</u>

Depreciation expense included \$507 and \$136 for the three months ended March 31, 2020 and 2021, respectively, for depreciation related to computer and office equipment under capital leases.

**4. Internal use software, net**

Internal use software consisted of the following as of December 31, 2020 and March 31, 2021:

	Estimated Useful Life (in years)	December 31, 2020	March 31, 2021
Internal use software	3 -5 Years	\$ 19,124	\$ 25,175
Less: Accumulated amortization		(6,802)	(8,488)
Total internal use software, net		<u>\$ 12,322</u>	<u>\$ 16,687</u>

Amortization expense for the three months ended March 31, 2020 and 2021 was \$979 and \$1,686 respectively. During the three months ended March 31, 2021, the Company purchased a digital advertising transparency software for \$4,548. This software further expands the Company's Total Visibility product offering which provides insight into digital media quality and corresponding supply path costs.



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**5. Intangible assets, net**

The gross book value, accumulated amortization, net book value and amortization periods of the intangible assets were as follows:

	<u>Estimated Useful Life</u>	<u>December 31, 2020</u>			<u>Weighted Average Remaining Useful Life</u>
		<u>Gross Book Value</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
Customer relationships	5-15 years	\$ 259,329	\$ (55,282)	\$ 204,047	12.5 Years
Developed technology	4-5 years	115,921	(89,219)	26,702	2.1 Years
Trademarks	9 years	17,500	(5,018)	12,482	6.5 Years
Favorable leases	6 years	198	(81)	117	3.5 Years
<b>Total</b>		<u>\$ 392,948</u>	<u>\$ (149,600)</u>	<u>\$ 243,348</u>	

	<u>Estimated Useful Life</u>	<u>March 31, 2021</u>			<u>Weighted Average Remaining Useful Life</u>
		<u>Gross Book Value</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
Customer relationships	5-15 years	\$ 259,268	\$ (61,279)	\$ 197,989	12.3 Years
Developed technology	4-5 years	115,592	(94,733)	20,859	1.9 Years
Trademarks	9 years	17,500	(5,566)	11,934	6.3 Years
Favorable leases	6 years	198	(89)	109	3.3 Years
<b>Total</b>		<u>\$ 392,558</u>	<u>\$ (161,667)</u>	<u>\$ 230,891</u>	

Amortization expense related to intangibles for the three months ended March 31, 2020 and 2021 was \$14,477 and \$12,067 respectively.

**6. Goodwill**

The following table provides a roll forward of the changes in the goodwill balance:

Goodwill as of December 31, 2020	\$458,586
Impact of exchange rates	(448)
<b>Goodwill as of March 31, 2021</b>	<u><b>\$458,138</b></u>

As of March 31, 2021, there were no impairment losses related to goodwill.

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## 7. Accounts payable and accrued expenses

Accounts payable and accrued expenses consisted of the following as of December 31, 2020 and March 31, 2021:

	<b>December 31, 2020</b>	<b>March 31, 2021</b>
Accounts Payable	\$ 8,808	\$ 6,117
Accrued payroll	3,482	3,438
Accrued professional fees	2,503	3,383
Accrued interest	4,277	4,221
Accrued bonuses and sales commissions	11,883	5,050
Accrued revenue sharing	2,503	3,323
Taxes payable	3,019	2,723
Other accrued expenses	2,314	4,382
<b>Total accounts payable and accrued expenses</b>	<b>\$ 38,789</b>	<b>\$ 32,637</b>

## 8. Long-term debt

### *Credit Agreement*

On July 19, 2018, the Company entered into a credit agreement with various lenders (“Credit Agreement”), providing a term facility in the aggregate principal amount of \$325,000 (“Term Loan”) and the ability to draw additional funds through a revolving facility (“Revolving Loan”) of up to \$25,000. The Term Loan and Revolving Loan have a maturity date of July 19, 2024 and July 19, 2023, respectively.

The Credit Agreement includes Paid in Kind (“PIK”) interest which bears an interest rate of 1.25% per annum. All PIK interest due is paid by capitalizing such interest and adding such applicable PIK interest to the principal amount of the outstanding Term Loan. PIK interest capitalization would discontinue if the Total Leverage Ratio for any fiscal quarter is less than 6.50. The Company satisfied the conditions for non-accrual of PIK interest on February 1, 2021. The interest rate for the Credit Agreement may be either the (a) Alternate Base Rate, which is equal to the greatest of the base rate in effect, the Federal Funds Rate in effect on such day plus 0.5% and one month adjusted LIBOR plus 1.0%, plus an applicable margin of 5% or for eurodollar borrowings, the (b) Eurodollar rate, which is the adjusted LIBOR plus an applicable margin of 6%. The Company has elected the Eurodollar rate through 2020. The interest rate as of March 31, 2021 was 7.0%.

On November 19, 2019, the Company entered into an incremental facility assumption amendment (“Incremental Term Loan”) to the Credit Agreement which increased the aggregate principal amount by \$20,000 used to finance the ADmantX S.p.A acquisition, pay fees, costs, and expenses incurred in connection with the agreement, and finance working capital and general corporate purposes. All terms and conditions of the Term Loan remained consistent under the Incremental Term Loan. In connection with the Credit Agreement, the Company incurred debt issuance costs of \$7,476. In connection with Incremental Term Loan, the Company incurred debt issuance costs of \$473. Debt issuance costs related to the Term Loan and Incremental Term Loan were recorded as a deferred charge and direct offset to long-term debt and are amortized into interest expense over the contractual term of the borrowings using the straight-line method. As no amounts were drawn on the Revolving Loan as of March 31, 2021, the debt issuance costs related to this facility were recorded as a deferred financing asset within prepaid expenses and other current assets and are amortized into interest expense over the contractual term of the borrowings using the straight-line method.

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All of the obligations under the Credit Agreement are guaranteed by the Company and its subsidiaries other than certain excluded subsidiaries. The Credit Agreement contains covenants requiring certain financial information to be submitted monthly, quarterly and annually. The Company must maintain a minimum liquidity level, as defined, and comply with a Revenue Leverage Ratio based on the last twelve months ("LTM") which was required to be 1.55:1.00 or lower for the first quarter of 2021. The benchmark for the Revenue Leverage Ratio decreases through the term of the loan. The Credit Agreement also places restrictions on the incurrence of additional indebtedness, the payment of dividends, sale of assets, and entering into any merger or acquisition. As of March 31, 2021, the Company was in compliance with all covenants.

The carrying amount of the Term Loan is as follows:

	<b>December 31, 2020</b>	<b>March 31, 2021</b>
Term Loan	\$ 345,000	\$345,000
PIK Interest	10,539	10,934
Less: Unamortized debt issuance costs	(4,468)	(4,154)
Total carrying amount of Term Loan	<u>\$ 351,071</u>	<u>\$351,780</u>

Amortization expense related to debt issuance costs for the three months ended March 31, 2020 and 2021 was \$341 and \$341, respectively. The Company recognized interest expense of \$6,821 and \$6,222 during the three months ended March 31, 2020 and 2021, respectively.

Future principal payments of long-term debt as of March 31, 2021 are as follows:

2021 (remaining nine months)	\$ —
2022	—
2023	—
2024	345,000
	<u>\$ 345,000</u>

## 9. Income taxes

At the end of each interim period, the Company estimates the annual expected effective income tax rate and applies that rate to its ordinary year-to-date earnings or loss. The income tax provision or benefit related to significant, unusual, or extraordinary items, if applicable, that will be separately reported or reported net of their related tax effects are individually computed and recognized in the interim period in which they occur. In addition, the effect of changes in enacted tax laws or rates, tax status, judgment on the realizability of a beginning-of-the-year deferred tax asset in future years or unrecognized tax benefits is recognized in the interim period in which the change occurs.

The computation of the annual expected effective income tax rate at each interim period requires certain estimates and assumptions including, but not limited to, the expected pre-tax income (or loss) for the year, projections of the proportion of income (and/or loss) earned and taxed in foreign jurisdictions, permanent and temporary differences, and the likelihood of the realization of deferred tax assets generated in the current year.

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The accounting estimates used to compute the provision or benefit for income taxes may change as new events occur, more experience is acquired, additional information is obtained or the Company's tax environment changes. To the extent that the expected annual effective income tax rate changes during a quarter, the effect of the change on prior quarters is included in income tax provision in the quarter in which the change occurs.

For the three months ended March 31, 2020 and 2021, the Company recorded an income tax benefit of \$3,611 and \$912, respectively, due primarily to pre-tax book losses. The Company's effective tax rate as of March 31, 2020 and 2021 was 20.0% and 24.8%, respectively.

The Company recognizes interest and, if applicable, penalties related to unrecognized tax benefits in the income tax provision. The Company is currently under audit by the IRS for the tax year ended December 31, 2017. As of March 31, 2021, the Company does not have an accrual relating to uncertain tax positions.

#### 10. Segment data

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM"), in deciding how to allocate resources and in assessing performance. The Company's Chief Executive Officer is the CODM.

The Company manages its operations as a single segment for the purpose of assessing and making operating decisions. The Company's CODM allocates resources and assesses performance based upon financial information at the consolidated level. Since the Company operates in one operating segment, all required financial segment information can be found in the condensed consolidated financial statements.

The following table summarizes revenue by geographic market for the three months ended March 31, 2020 and 2021:

	Three Months Ended March 31,	
	2020	2021
<b>Revenue:</b>		
North and South America ("Americas")	\$ 32,973	\$ 41,190
Europe, Middle East and Africa ("EMEA")	15,780	18,917
Asia and Pacific ("APAC")	5,289	6,845
Total	<u>\$ 54,042</u>	<u>\$ 66,952</u>

The following table summarizes property and equipment, net by geographic market as of December 31, 2020 and March 31, 2021.

	December 31, 2020	March 31, 2021
<b>Property and Equipment, net</b>		
Americas	\$ 1,954	\$ 1,580
EMEA	282	231
APAC	7	21
Total	<u>\$ 2,243</u>	<u>\$ 1,831</u>

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**11. Equity-based compensation**

***Integral Ad Science Holding LLC Long-Term Incentive Plan***

During 2018, the Company adopted the Long-Term Incentive Plan (“LTIP”). Under the LTIP, certain employees of the Company and its subsidiaries were granted long-term target incentive cash awards which will be payable subject to continued employment, upon the sale of the Company, or, sale to a third party of at least 50% of the Vista’s equity interest, provided if such sale of equity interests is through a public offering (whether initial or secondary), it would require the transfer of an aggregate of at least 75% of Vista’s equity interest and the achievement of a total equity return multiple of 3.0 or greater. Total equity return multiple is computed based on the quotient of the cumulative total of all cash distributions or cash proceeds received, divided by Vista’s total investment in the Company. The total amount of long-term incentive cash awards based on achieving a total equity return of 3.0 as of March 31, 2021 and December 31, 2020, are \$11,835 and \$10,560, respectively. As the multiple is tied to an equity return multiple, any compensation charge associated with these awards is considered equity-based compensation in accordance with U.S. GAAP. Since the liquidity events described above are contingent and generally not considered probable until the event occurs, no compensation expense for the LTIP has been recognized for the three months ended March 31, 2020 and 2021, respectively.

***Integral Ad Science Holding LLC 2018 Stock Option Plan***

On August 1, 2018, the Company adopted the 2018 Non-Qualified Stock Option Plan (“2018 Plan”) and granted awards in order to provide incentives to certain employees and directors of the Company. Under the 2018 Plan, 48,695 units were reserved out of Integral Ad’s authorized but unissued units. These units were reserved for issuance, sale and delivery upon the exercise of any option to purchase the member units in accordance with the terms of the 2018 Plan. The units issued upon exercise will be designated as option units and are subject to repurchase by the Company under certain conditions, no earlier than the later of the unit holder’s termination or 181 days after the acquisition of such unit. If an option unit holder is no longer employed or providing equivalent services to the Company, the Company may elect to repurchase all or a portion of such units at a price equal to i) original cost in the event of termination for cause or resignation for any reason, or ii) fair value in the event of termination without cause.

There were no grants of options to purchase units in the three months ended March 31, 2020. During the three months ended March 31, 2021, the Company granted a total of 782 options to purchase units. Each grant is made up of two-thirds Time Based Service Options and one-third Return Target Options, as defined below.

*Time Based Service Options* vest over four years with 25% vesting after 12 months and an additional 6.25% vests at the end of each successive quarter thereafter.

*Return Target Options* vest upon the sale of the Company, or, sale or transfer to any third party of units, as a result of which, any person or group other than Vista obtains possession of voting power to elect a majority of the Company’s board of directors or any other governing body and the achievement of a total equity return multiple of 3.0 or greater. An option holder must be an employee of the Company at the date when these conditions are achieved. No expense has been recorded for the Return Target Options for the three months ended March 31, 2020 and 2021. Unamortized equity-based compensation to be recognized upon the achievement of the performance condition related to the Total Return Options as of December 31, 2020 and March 31, 2021 was \$5,652 and \$5,982, respectively. An option holder must be an employee of the Company at the date when these conditions are achieved. As fully vested and exercised Time-Based Service Options can be repurchased by the

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Company at cost upon resignation of the employee, the Company has determined that the Time-Based Service Options as presently structured does not provide the holder of the award with the potential benefits associated with an equity award holder. As such, these awards are not being accounted for as an equity-based award but rather compensation cost will be recognized when the benefit to the employee is probable.

The Return Target Options are considered to contain both market (total unitholder return threshold) and performance (exit event) conditions. As such, the award is measured on the date of grant using a modified Black-Scholes Option model and a Monte Carlo simulation, and expense will be recorded at the time of an exit event. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

The weighted average grant date fair value for the Return Target Options granted during the three months ended March 31, 2021 was \$982.61.

***Time Based Service Option activity***

Time Based Service Option activity is as follows:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Intrinsic Value
<b>Outstanding at December 31, 2020</b>	25,245	\$ 1,168	8.47	\$ —
Granted	521	3,001	9.81	—
Canceled or forfeited	—	—	—	—
Exercised	—	—	—	—
<b>Outstanding at March 31, 2021</b>	<u>25,766</u>	<u>\$ 1,205</u>	<u>8.25</u>	<u>\$ —</u>
Vested and expected to vest at March 31, 2021	25,766	\$ 1,205	8.25	—
Exercisable as of March 31, 2021	8,898	\$ 1,007	7.85	—

***Return Target Option activity***

Return Target Option activity is as follows:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Intrinsic Value
<b>Outstanding at December 31, 2020</b>	12,623	\$ 1,168	\$ 8.47	\$ —
Granted	261	3,001	9.81	—
Canceled or forfeited	—	—	—	—
Exercised	—	—	—	—
<b>Outstanding at March 31, 2021</b>	<u>12,884</u>	<u>\$ 1,205</u>	<u>\$ 8.25</u>	<u>\$ —</u>
Vested and expected to vest at March 31, 2021	12,884	\$ 1,205	\$ 8.25	\$ —

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## 12. Members' equity

The Company, an affiliate of Vista, is a single member LLC. The Company's Board of Directors, through the Integral Ad Science Holding LLC Amended and Restated Agreement (the "Operating Agreement"), has the authority to admit additional members. During the three months ended March 31, 2020 and 2021, the Company repurchased 84 units for \$96 and 413 units for \$1,202, respectively. The repurchase of units has been accounted for as a reduction in members' equity in these condensed consolidated financial statements. The repurchases in excess of par value were \$12 and \$789 for the three months ended March 31, 2020 and 2021, respectively, and were recorded to accumulated deficit. Under the terms of the Operating Agreement, the members of the Company are not obligated for debt, liabilities, contracts or other obligations of the Company. Profits and losses are allocated to members as defined in the Operating Agreement.

## 13. Commitments and contingencies

### *Indemnifications*

In its normal course of business, the Company has made certain indemnities, commitments, and guarantees under which it may be required to make payments in relation to certain transactions. Those indemnities include intellectual property indemnities to the Company's customers, indemnities to directors and officers of the Company to the maximum extent permitted under the laws of the State of Delaware, and indemnifications related to the Company's lease agreements. In addition, the Company's advertiser and distribution partner agreements contain certain indemnification provisions which are generally consistent with those prevalent in the Company's industry. The Company has not incurred any obligations under indemnification provisions historically and does not expect to incur significant obligations in the future. Accordingly, the Company has not recorded any liability for these indemnities, commitments, and guarantees in the accompanying balance sheets.

### *Operating leases*

The Company leases office space under operating leases, which expire on various dates through May 2026. Certain leases relating to office space include scheduled annual rent increases. Rent expense under operating leases is recognized on a straight-line basis over the lease terms. The excess of expense over payments is recorded as accrued rent on the condensed consolidated balance sheets.

Operating lease expense for office space for the three months ending March 31, 2020 and 2021, was \$2,130 and \$1,849, respectively.

### *Capital leases*

The Company leases equipment under capital leases. The equipment leases include options to renew, return or purchase at the end of the lease term. Future minimum rental payments under the capital leases as of March 31, 2021 are as follows:

Total minimum lease payments	\$193
Less: Amount representing interest	(3)
Total	<u>\$190</u>
Present value of net minimum lease payments, current	<u>\$190</u>

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**Purchase Commitments**

In the ordinary course of business, the Company enters into various purchase commitments primarily related to third-party cloud hosting and data services, and IT operation. Total noncancelable purchase commitments as of March 31, 2021 were approximately \$66,250 for periods through 2024.

**14. Net loss per unit**

Basic and diluted loss per unit is computed by dividing net loss by the weighted-average units outstanding:

	Three Months Ended March 31,	
	2020	2021
<b>Numerator:</b>		
Net loss	\$ (14,444)	\$ (2,772)
<b>Denominator:</b>		
Weighted average units outstanding, basic and diluted	553,938	553,751
Net loss per unit, basic and diluted	\$ (26.08)	\$ (5.01)

As the Company has reported net loss for the periods presented, all potentially dilutive securities are antidilutive. The following potential outstanding Time-Based Service Options were excluded from the computation of diluted net loss per unit attributable to common unitholders for the years presented because including them would have been antidilutive. Since the conditions associated with the vesting of the Return Target Options have not occurred as of the reporting date, such options are excluded from the table below.

	Three Months Ended March 31,	
	2020	2021
Options to purchase member units	20,124	25,766

**15. Fair value disclosures**

**Financial instruments**

As of March 31, 2021 and December 31, 2020, the carrying value of cash and cash equivalents, restricted cash, accounts receivable and accounts payable approximated fair value. The table below provides the book value and estimated fair value of our financial instruments at December 31, 2020 and March 31, 2021.

	Fair Value Hierarchy	Book Value	Estimated Fair Value
Term Loan (a)			
December 31, 2020	Level 2	\$355,539	\$375,228
March 31, 2021	Level 2	\$355,934	\$374,807

(a) The estimated fair value of our Term Loan is based upon market prices as of the valuation date.



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**16. Related-party transactions**

The Company incurs expenses for consulting and other services from Vista Consulting Group, LLC (“VCG”), a related party to the Company. During the three months ended March 31, 2020 and 2021, the Company incurred \$534 and \$88, respectively, of consulting and other service expenses, with VCG. These costs were included in general and administrative expenses. Amounts due to VCG, totaled \$39 as of December 31, 2020; there were no amounts due as of March 31, 2021.

The Company incurs various travel and other expenses from Vista Equity Partners Management LLC (“VEP”), a related party to the Company. During the three months ended March 31, 2020 and 2021, the Company incurred \$9 and \$0.5, respectively, of travel and other expenses with VEP. These costs were included in general and administrative expenses. Amounts due to VEP, totaled \$101 as of December 31, 2020; there were no amounts due as of March 31, 2021.

The Company has subscription software arrangements with companies owned by Vista Equity Partners as follows: Total expenses incurred by the Company for Mediaocean (*the related party*), were \$30 and \$30 for the three months ended March 31, 2020 and 2021, respectively. These costs were included in cost of revenue. Amounts due to Mediaocean totaled \$10 as of December 31, 2020; there were no amounts due as of March 31, 2021. Total expenses incurred by the Company for Navex Global, Inc. (*the related party*) were \$7 and \$27 for the three months ended March 31, 2020 and 2021, respectively. These costs were included in general and administrative expenses. There were no amounts due as of December 31, 2020 and March 31, 2021. The Company incurred training expenses with Cvent, Inc. (*the related party*), of \$0 and \$20 for the three months ended March 31, 2020 and 2021. These costs were included in sales and marketing expenses. There were no amounts due as of December 31, 2020 and March 31, 2021.

**17. Subsequent events**

The Company has evaluated subsequent events that have occurred from the balance sheet date of March 31, 2021 through May 19, 2021 the date the condensed consolidated financial statements were available to be issued.

***Debt-related financial covenants***

The Company has financial covenants underlying its debt which require its revenue to debt ratio to meet certain thresholds. Such debt-related covenants become more restrictive over successive quarters through June of 2021. In accordance with ASU 2014-15, *Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern*, the Company believes that based upon current facts and circumstances, its existing cash coupled with the cash flows generated from operations will be sufficient to meet its cash needs for 12 months from the date of issuance of these financial statements.

Shares

*Integral Ad Science Holding Corp.*

*Common Stock*



*Morgan Stanley*

*Jefferies*

*Barclays*

*Evercore ISI*

*Wells Fargo Securities*

*BMO Capital Markets*

*Oppenheimer & Co.*

*Raymond James*

*Stifel*

*Academy Securities*

*Blaylock Van, LLC*

*Penserra Securities LLC*

*R. Seelaus & Co., LLC*

*Siebert Williams Shank*

*Through and including \_\_\_\_\_, 2021 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.*

**PART II****INFORMATION NOT REQUIRED IN PROSPECTUS****Item 13. Other Expenses of Issuance and Distribution.**

The following table sets forth all costs and expenses, other than the underwriting discounts and commissions payable by us, in connection with the offer and sale of the securities being registered. All amounts shown are estimates except for the Securities and Exchange Commission, or SEC, registration fee and the FINRA filing fee.

SEC registration fee	\$	*
FINRA filing fee		*
listing fee		*
Printing expenses		*
Legal fees and expenses		*
Accounting fees and expenses		*
Transfer agent fees and registrar fees		*
Miscellaneous expenses		*
Total expenses	\$	*

\* To be provided by amendment.

**Item 14. Indemnification of Directors and Officers.**

Section 102(b)(7) of the DGCL allows a corporation to provide in its certificate of incorporation that a director of the corporation will not be personally liable to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, except where the director breached the duty of loyalty, failed to act in good faith, engaged in intentional misconduct, or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit. Our certificate of incorporation will provide for this limitation of liability.

Section 145 of the DGCL, or Section 145, provides that a Delaware corporation may indemnify any person who was, is or is threatened to be made, party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person is or was an officer, director, employee or agent of such corporation or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was illegal. A Delaware corporation may indemnify any persons who are, were or are a party to any threatened, pending or completed action or suit by or in the right of the corporation by reason of the fact that such person is or was a director, officer, employee, or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, provided such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the corporation's best interests, provided that no indemnification is permitted without judicial approval if the officer, director, employee, or agent is adjudged to be liable to the corporation. Where an officer or director is successful on the merits or otherwise in the defense of any action referred to above, the corporation must indemnify him against the expenses which such officer or director has actually and reasonably incurred.

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Section 145 further authorizes a corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation or enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would otherwise have the power to indemnify him under Section 145.

Our bylaws will provide that we will indemnify our directors and officers to the fullest extent authorized by the DGCL and must also pay expenses incurred in defending any such proceeding in advance of its final disposition upon delivery of an undertaking, by or on behalf of an indemnified person, to repay all amounts so advanced if it should be determined ultimately that such person is not entitled to be indemnified under this section or otherwise.

Upon completion of this offering we intend to enter into indemnification agreements with each of our executive officers and directors. The indemnification agreements will provide the executive officers and directors with contractual rights to indemnification, expense advancement, and reimbursement, to the fullest extent permitted under the DGCL.

The indemnification rights set forth above shall not be exclusive of any other right which an indemnified person may have or hereafter acquire under any statute, provision of our certificate of incorporation or bylaws, agreement, vote of shareholders, or disinterested directors or otherwise.

We will maintain standard policies of insurance that provide coverage (1) to our directors and officers against loss arising from claims made by reason of breach of duty or other wrongful act and (2) to us with respect to indemnification payments that we may make to such directors and officers. The proposed form of Underwriting Agreement to be filed as Exhibit 1.1 to this Registration Statement provides for indemnification of our directors and officers by the underwriters party thereto against certain liabilities arising under the Securities Act or otherwise.

### **Item 15. Recent Sales of Unregistered Securities.**

Set forth below is information regarding securities sold by us within the past three years that were not registered under the Securities Act. Also included is the consideration, if any, received by us for such securities and information relating to the section of the Securities Act, or rule of the SEC, under which exemption from registration was claimed.

Since January 1, 2018, we have made sales of the following unregistered securities:

- On July 19, 2018, we issued 560,000.0000 units for an aggregate of \$560,000,000 in connection with the acquisition of Integral Ad Science, Inc. by affiliates of Vista and certain other investors, of which 553,677.5868 remain outstanding for an aggregate of \$553,677,586.96.
- On July 19, 2018, we granted certain directors, employees, consultants, and other service providers options to acquire an aggregate of 42,202.9855 units with per exercise prices of \$1,000.00, of which only 4,413.0435 remain outstanding.
- From January 1, 2019 through January 25, 2021, we granted certain directors, employees, consultants, and other service providers options to acquire 38,154.8625 units with per unit exercise prices ranging from \$1,000.00 to \$3,001.47, of which 33,929.8809 remain outstanding.
- On January 18, 2019 we granted 150.0000 time-based restricted stock units at a price of \$1,000.00 for a total value of \$150,000.00 to a certain individual.
- On August 1, 2020 we granted 111.2867 time-based restricted stock units at a price of \$1,347.87 for a total value of \$150,000.00 to a certain individual.

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- On December 8, 2020 we granted 72.2550 time-based restricted stock units at a price of \$2,075.98 for a total value of \$150,000.00 to a certain individual.
- On January 18, 2021 we granted 49.9755 time-based restricted stock units at a price of \$3,001.47 for a total value of \$150,000.00 to a certain individual.

The offers and sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, or Rule 701 promulgated under Section 3(b) of the Securities Act, as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the above securities represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof. Appropriate legends were placed upon any stock certificates issued in these transactions.

### **Item 16. Exhibits and Financial Statement Schedules.**

#### (i) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
1.1*	Form of Underwriting Agreement.
3.1	<a href="#">Form of Amended and Restated Certificate of Incorporation of Integral Ad Science Holding Corp., to be in effect upon the closing of this offering.</a>
3.2	<a href="#">Form of Amended and Restated Bylaws of Integral Ad Science Holding Corp., to be in effect upon the closing of this offering.</a>
4.1	<a href="#">Form of Registration Rights Agreement.</a>
5.1*	Opinion of Kirkland & Ellis LLP
10.1	<a href="#">Credit Agreement, dated as of July 19, 2018, among Integral Ad Science, Inc., as borrower, Kavacha Intermediate, LLC, as a guarantor, each of the other guarantors party thereto, and a syndicate of lenders and Goldman Sachs BDC, Inc., as Administrative Agent.</a>
10.2	<a href="#">Management Agreement, dated as of July 19, 2018, by and among Vista Equity Partners Management, LLC, Kavacha Holdings, Inc., Kavacha Intermediate, LLC, Integral Ad Science, Inc., and the Company.</a>
10.3+*	Form of Integral Ad Science Holding Corp. 2021 Omnibus Incentive Plan
10.4+*	Form of Incentive Stock Option Agreement.
10.5+*	Form of Restricted Stock Agreement.
10.6+*	Form of Nonqualified Stock Option Agreement.
10.7+*	Form of Stock Appreciation Rights Agreement.
10.8+*	Form of Restricted Stock Unit Agreement.
10.9+*	Form of Indemnification Agreement
10.10	<a href="#">Form of Director Nomination Agreement</a>
10.11+	<a href="#">Employment Agreement with Lisa Utzschneider</a>
10.12+	<a href="#">Employment Agreement with Joseph Pergola</a>
10.13+	<a href="#">Amendment To Employment Agreement with Joseph Pergola</a>
10.14+	<a href="#">Employment Agreement with Kshitij Sharma</a>

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<u>Exhibit Number</u>	<u>Description</u>
10.15+	<a href="#">Employment Agreement with Oleg Bershadsky</a>
10.16+	<a href="#">Amendment To Employment Agreement with Oleg Bershadsky</a>
10.17+	<a href="#">Employment Agreement with Tony Lucia</a>
10.18	<a href="#">Lease Agreement between Brickman 95 Morton LLC and Integral Ad Science, Inc. dated July 22, 2014.</a>
10.19	<a href="#">First Amendment to Lease Agreement, between Brickman 95 Morton LLC and Integral Ad Science, Inc. dated March 25, 2016.</a>
21.1	<a href="#">List of subsidiaries of the registrant.</a>
23.1	<a href="#">Consent of PricewaterhouseCoopers LLP.</a>
23.2*	Consent of Kirkland & Ellis LLP (included in Exhibit 5.1)
23.3	<a href="#">Consent of Frost &amp; Sullivan.</a>
24.1	<a href="#">Powers of attorney (included on signature page).</a>
99.1	<a href="#">Consent of Christina Lema</a>

\* Indicates to be filed by amendment.

+ Indicates a management contract or compensatory plan or arrangement.

(ii) Financial statement schedules

No financial statement schedules are provided because the information called for is not applicable or is shown in the financial statements or notes.

### **Item 17. Undertakings.**

The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referenced in Item 14 of this Registration Statement, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in the form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective;

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of New York, State of New York, on June 4, 2021.

### Integral Ad Science Holding LLC

By: /s/ Lisa Utzschneider  
Name: Lisa Utzschneider  
Title: Chief Executive Officer

## POWER OF ATTORNEY

The undersigned directors and officers of Integral Ad Science Holding LLC hereby appoint each of Lisa Utzschneider and Joseph Pergola, as attorney-in-fact for the undersigned, with full power of substitution and resubstitution, for and in the name, place, and stead of the undersigned, to sign and file with the Securities and Exchange Commission under the Securities Act of 1933 any and all amendments (including post-effective amendments) and exhibits to this registration statement on Form S-1 (or any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933) and any and all applications and other documents to be filed with the Securities and Exchange Commission pertaining to the registration of the securities covered hereby, with full power and authority to do and perform any and all acts and things whatsoever requisite and necessary or desirable, hereby ratifying and confirming all that said attorney-in-fact, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Lisa Utzschneider</u> Lisa Utzschneider	Chief Executive Officer (Principal Executive Officer)	June 4, 2021
<u>/s/ Joseph Pergola</u> Joseph Pergola	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	June 4, 2021
<u>/s/ Michael Fosnaugh</u> Michael Fosnaugh	Director	June 4, 2021
<u>/s/ Rod Aliabadi</u> Rod Aliabadi	Director	June 4, 2021
<u>/s/ Martin Taylor</u> Martin Taylor	Director	June 4, 2021
<u>/s/ Jill Putman</u> Jill Putman	Director	June 4, 2021

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Otto Berkes</u> Otto Berkes	Director	June 4, 2021
<u>/s/ Brooke Nakatsukasa</u> Brooke Nakatsukasa	Director	June 4, 2021
<u>/s/ Bridgette Heller</u> Bridgette Heller	Director	June 4, 2021



**AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION  
OF  
INTEGRAL AD SCIENCE HOLDING CORP.**  
\* \* \* \* \*

Joseph Pergola, being the Chief Financial Officer of Integral Ad Science Holding Corp., a corporation duly organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), DOES HEREBY CERTIFY as follows:

**FIRST:** The present name of the Corporation is Integral Ad Science Holding Corp. The Corporation was initially formed as a limited liability company under the name Kavacha Topco, LLC (the "LLC Entity") by the filing of its original Certificate of Formation with the Delaware Secretary of State on May 18, 2018. The LLC Entity filed a Certificate of Amendment to the Certificate of Formation changing the LLC Entity's name to Integral Ad Science Holding LLC on February 23, 2021. The LLC Entity filed a Certificate of Conversion and Incorporation converting the LLC Entity into the Corporation and changing the Corporation's name to "Integral Ad Science Holding Corp." on [•], 2021 (the "Certificate of Incorporation").

**SECOND:** The Board of Directors of the Corporation, pursuant to a unanimous written consent, adopted resolutions authorizing the Corporation to amend, integrate and restate the Certificate of Incorporation of the Corporation in its entirety to read as set forth in Exhibit A attached hereto and made a part hereof (the "Restated Certificate").

**THIRD:** The Restated Certificate restates and integrates and further amends the Certificate of Incorporation.

**FOURTH:** The Restated Certificate was duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware and by the written consent of its stockholders in accordance with Section 228 of the General Corporation Law of the State of Delaware.

\* \* \* \* \*

IN WITNESS WHEREOF, Integral Ad Science Holding Corp. has caused this Amended and Restated Certificate of Incorporation to be executed by its duly authorized officer on this [•] day of [•], 2021.

INTEGRAL AD SCIENCE HOLDING CORP.

By: \_\_\_\_\_  
Name: Joseph Pergola  
Title: Chief Financial Officer

**Exhibit A**  
**AMENDED AND RESTATED**  
**CERTIFICATE OF INCORPORATION**  
**INTEGRAL AD SCIENCE HOLDING CORP.**

**ARTICLE ONE**

The name of the corporation is Integral Ad Science Holding Corp. (the "Corporation").

**ARTICLE TWO**

The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

**ARTICLE THREE**

The nature and purpose of the business of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware ("DGCL").

**ARTICLE FOUR**

Section 1. Authorized Shares. The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is 550,000,000 shares, consisting of two classes as follows:

1. 50,000,000 shares of Preferred Stock, par value \$0.001 per share (the "Preferred Stock"); and
2. 500,000,000 shares of Common Stock, par value \$0.001 per share (the "Common Stock").

The Preferred Stock and the Common Stock shall have the designations, rights, powers and preferences and the qualifications, restrictions and limitations thereof, if any, set forth below.

Section 2. Preferred Stock. The Board of Directors of the Corporation (the "Board of Directors") is authorized, subject to limitations prescribed by law, to provide, by resolution or resolutions for the issuance of shares of Preferred Stock in one or more series, and with respect to each series, to establish the number of shares to be included in each such series, and to fix the voting powers (if any), designations, powers, preferences, and relative, participating, optional or other special rights, if any, of the shares of each such series, and any qualifications, limitations or restrictions thereof. The powers (including voting powers), preferences, and relative, participating, optional and other special rights of each series of Preferred Stock and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding. Subject to the rights of the holders of any series of Preferred Stock, the number of authorized shares of Preferred Stock may be increased or decreased (but not below

the number of shares thereof then outstanding) by the approval of the Board of Directors and by the affirmative vote of the holders of a majority in voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in an election of directors, without the separate vote of the holders of the Preferred Stock as a class, irrespective of the provisions of Section 242(b)(2) of the DGCL.

### Section 3. Common Stock.

(a) Except as otherwise provided by the DGCL or this amended and restated certificate of incorporation (as it may be amended, the "Restated Certificate") and subject to the rights of holders of any series of Preferred Stock then outstanding, all of the voting power of the stockholders of the Corporation shall be vested in the holders of the Common Stock. Each share of Common Stock shall entitle the holder thereof to one vote for each share held by such holder on all matters voted upon by the stockholders of the Corporation; *provided, however*, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Restated Certificate (including any certificate of designation relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Restated Certificate (including any certificate of designation relating to any series of Preferred Stock) or pursuant to the DGCL.

(b) Except as otherwise required by law or expressly provided in this Restated Certificate, each share of Common Stock shall have the same powers, rights and privileges and shall rank equally, share ratably and be identical in all respects as to all matters.

(c) Subject to the rights of the holders of any series of Preferred Stock then outstanding and to the other provisions of applicable law and this Restated Certificate, holders of Common Stock shall be entitled to receive equally, on a per share basis, such dividends and other distributions in cash, securities or other property of the Corporation if, as and when declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

(d) In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, after payment or provision for payment of the Corporation's debts and any other payments required by law and amounts payable upon outstanding shares of Preferred Stock ranking senior to the shares of Common Stock upon such dissolution, liquidation or winding up, if any, the remaining net assets of the Corporation shall be distributed to the holders of shares of Common Stock and the holders of shares of any other class or series ranking equally with the shares of Common Stock upon such dissolution, liquidation or winding up, equally on a per share basis. Subject to the rights of the holders of Preferred Stock then outstanding and the other provisions of this Restated Certificate, a merger or consolidation of the Corporation with or into any other corporation or other entity, or a sale or conveyance of all or any part of the assets of the Corporation (which shall not in fact result in the liquidation of the Corporation and the distribution of assets to its stockholders) shall not be deemed to be a voluntary or involuntary liquidation or dissolution or winding up of the Corporation within the meaning of this Paragraph (d).

(e) No holder of shares of Common Stock shall be entitled to preemptive or subscription rights.

## ARTICLE FIVE

Section 1. Board of Directors. Except as otherwise provided in this Restated Certificate or the DGCL, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

Section 2. Number of Directors. Subject to any rights of the holders of any series of Preferred Stock then outstanding to elect additional directors under specified circumstances or otherwise, the number of directors which shall constitute the Board of Directors shall initially be nine (9) and, thereafter, shall be fixed from time to time exclusively by resolution of the Board.

Section 3. Classes of Directors. The directors of the Corporation, other than those who may be elected by the holders of any series of Preferred Stock, shall be divided into three classes, as nearly equal in number as possible, designated Class I, Class II and Class III.

Section 4. Election and Term of Office. Subject to the rights of the holders of any series of Preferred Stock then outstanding, the directors shall be elected by a plurality of the votes cast. The term of office of the initial Class I directors shall expire at the first annual meeting of stockholders following the date the Common Stock is first publicly traded (the "IPO Date"), the term of office of the initial Class II directors shall expire at the second succeeding annual meeting of stockholders after the IPO Date and the term of office of the initial Class III directors shall expire at the third succeeding annual meeting of the stockholders after the IPO Date. For the purposes hereof, the Board of Directors may assign directors already in office to Class I, Class II and Class III, in accordance with the terms of that certain Director Nomination Agreement, dated on or about [•], 2021 (as amended and/or restated or supplemented in accordance with its terms, the "Nomination Agreement"), by and among the Corporation and the investors named therein. At each annual meeting of stockholders after the IPO Date, directors elected to replace those of a class whose terms expire at such annual meeting shall be elected to hold office until the third succeeding annual meeting after their election and until their respective successors shall have been duly elected and qualified. Each such director shall hold office until the annual meeting of stockholders for the year in which such director's term expires and a successor is duly elected and qualified or until his or her earlier death, resignation or removal. Nothing in this Restated Certificate shall preclude a director from serving consecutive terms. Elections of directors need not be by written ballot unless the Bylaws of the Corporation (as amended and/or restated, the "Bylaws") shall so provide.

Section 5. Newly-Created Directorships and Vacancies. Subject to the rights of the holders of any series of Preferred Stock then outstanding and except as otherwise provided in the Nomination Agreement, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, disqualification, removal from office or any other cause may be filled only by resolution of a

majority of the directors then in office, although less than a quorum, or by a sole remaining director, and may not be filled in any other manner. A director elected or appointed to fill a vacancy shall serve for the unexpired term of his or her predecessor in office and until his or her successor is elected and qualified or until his or her earlier death, resignation or removal. A director elected or appointed to fill a position resulting from an increase in the number of directors shall hold office until the next election of the class for which such director shall have been elected or appointed and until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

Section 6. Removal and Resignation of Directors. Subject to the rights of the holders of any series of Preferred Stock then outstanding and notwithstanding any other provision of this Restated Certificate, (i) prior to the first date (the "Trigger Date") on which Vista Equity Partners Fund VI, L.P., Vista Equity Partners Fund VI-A, L.P., VEPF VI FAF, L.P., Vista Equity Partners Fund VI GP, L.P., VEPF VI GP, Ltd., and VEP Group, LLC (collectively, "Vista") and their Affiliated Companies (as defined herein) cease to beneficially own in the aggregate (directly or indirectly) 40% or more of the voting power of the then outstanding shares of capital stock of the Corporation then entitled to vote generally in the election of directors ("Voting Stock"), directors may be removed with or without cause upon the affirmative vote of stockholders representing at least a majority of the voting power of the then outstanding shares of Voting Stock, voting together as a single class and (ii) on and after the Trigger Date, directors may only be removed for cause and only upon the affirmative vote of stockholders representing at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the voting power of the then outstanding shares of Voting Stock. Any director may resign at any time upon notice in writing or by electronic transmission to the Corporation.

Section 7. Rights of Holders of Preferred Stock. Notwithstanding the provisions of this ARTICLE FIVE, whenever the holders of one or more series of Preferred Stock shall have the right, voting separately or together by series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorship shall be subject to the rights of such series of Preferred Stock. During any period when the holders of any series of Preferred Stock, voting separately as a series or together with one or more series, have the right to elect additional directors, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions, and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, resignation, disqualification or removal. Except as otherwise provided by the Board of Directors in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall forthwith terminate (in which case each such director thereupon shall cease to be qualified as, and shall cease to be, a director) and the total authorized number of directors of the Corporation shall automatically be reduced accordingly.

Section 8. Advance Notice. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws.

## ARTICLE SIX

### Section 1. Limitation of Liability.

(a) To the fullest extent permitted by the DGCL as it now exists or may hereafter be amended no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages arising from a breach of fiduciary duty as a director.

(b) Any amendment, repeal or modification of the foregoing paragraph shall not adversely affect any right or protection of a director of the Corporation existing at the time of such amendment, repeal or modification with respect to any act, omission or other matter occurring prior to such amendment, repeal or modification.

## ARTICLE SEVEN

Section 1. Action by Consent. Prior to the first date (the "Stockholder Consent Trigger Date") on which Vista and its Affiliated Companies (as defined herein) cease to beneficially own in the aggregate (directly or indirectly) at least 35% of the voting power of the then outstanding Voting Stock, any action which is required or permitted to be taken by the Corporation's stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of the Corporation's stock entitled to vote thereon were present and voted. On and after the Stockholder Consent Trigger Date, any action required or permitted to be taken by the Corporation's stockholders may be taken only at a duly called annual or special meeting of the Corporation's stockholders and the power of stockholders to act by consent without a meeting is specifically denied; provided, however, that any action required or permitted to be taken by the holders of Preferred Stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided in the resolutions creating such series of Preferred Stock.

Section 2. Special Meetings of Stockholders. Subject to the rights of the holders of any series of Preferred Stock then outstanding and to the requirements of applicable law, special meetings of stockholders of the Corporation may be called only (i) by or at the direction of the Board of Directors or the Chair of the Board of Directors pursuant to a written resolution adopted by the affirmative vote of the majority of the total number of directors that the Corporation would have if there were no vacancies and (ii) prior to the Stockholder Consent Trigger Date, by the Chair of the Board of Directors at the request of Vista in the manner provided for in the Bylaws. Any business transacted at any special meeting of stockholders shall be limited to the purpose or purposes stated in the notice of the meeting.

## ARTICLE EIGHT

Section 1. Certain Acknowledgments. In recognition and anticipation that (i) certain of the directors, partners, principals, officers, members, managers, employees, operating partners and/or contractors of Vista or its Affiliated Companies (as defined below) may serve as directors or officers of the Corporation and (ii) Vista and its Affiliated Companies engage and may continue to engage in the same or similar activities or related lines of business as those in which the Corporation, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Corporation, directly or indirectly, may engage, and (iii) that the Corporation and its Affiliated Companies may engage in material business transactions with Vista and its Affiliated Companies, and that the Corporation is expected to benefit therefrom, the provisions of this ARTICLE EIGHT are set forth to regulate and define the conduct of certain affairs of the Corporation as they may involve Vista and/or its Affiliated Companies and/or their respective directors, partners, principals, officers, members, managers, employees, operating partners and/or contractors, including any of the foregoing who serve as officers or directors of the Corporation (Vista and/or its Affiliated Companies and all such other persons each an “Exempted Person” and collectively, the “Exempted Persons”), and the powers, rights, duties and liabilities of the Corporation and its officers, directors and stockholders in connection therewith. As used in this Restated Certificate, “Affiliated Companies” shall mean (a) in respect of Vista, any entity that controls, is controlled by or under common control with Vista (other than the Corporation and any company that is controlled by the Corporation) and any investment funds managed by Vista and (b) in respect of the Corporation, any entity controlled by the Corporation.

Section 2. Competition and Corporate Opportunities. To the fullest extent permitted by applicable law, none of the Exempted Persons shall have any fiduciary duty to refrain from engaging directly or indirectly in the same or similar business activities or lines of business as the Corporation or any of its Affiliated Companies, and no Exempted Person shall be liable to the Corporation or its stockholders for breach of any fiduciary or other duty (whether contractual or otherwise) solely by reason of any such activities of such Exempted Person. To the fullest extent permitted by applicable law, the Corporation, on behalf of itself and its Affiliated Companies, renounces any interest or expectancy of the Corporation and its Affiliated Companies in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to any of the Exempted Persons, even if the opportunity is one that the Corporation or its Affiliated Companies might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and each Exempted Person shall have no duty to communicate or offer such business opportunity to the Corporation or its Affiliated Companies and, to the fullest extent permitted by applicable law, shall not be liable to the Corporation, any of its Affiliated Companies or its stockholders for breach of any fiduciary or other duty (whether contractual or otherwise), as a director, officer or stockholder of the Corporation solely, by reason of the fact that Vista, its Affiliated Companies or any such Exempted Person pursues or acquires such business opportunity, sells, assigns, transfers or directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or any of its Affiliated Companies. For the avoidance of doubt, each of the Exempted Persons shall, to the fullest extent permitted by law, have the right to, and shall have no duty (whether contractual or otherwise) not to, directly or indirectly: (A) engage in the same, similar or competing business activities or lines of business as the Corporation or its Affiliated Companies, (B) do business with any client or customer of the Corporation or its Affiliated Companies, or (C) make investments in competing businesses of the Corporation or its Affiliated Companies, and such acts shall not be deemed wrongful or improper. Notwithstanding anything to the contrary in this Section 2, the Corporation does not renounce any interest or expectancy it may have in any business opportunity that is expressly offered to any director or officer of the Corporation solely in his or her capacity as such, and not in any other capacity.



Section 3. Certain Matters Deemed Not Corporate Opportunities. In addition to and notwithstanding the foregoing provisions of this ARTICLE EIGHT, a corporate opportunity shall not be deemed to belong to the Corporation if it is a business opportunity the Corporation is not financially able or contractually permitted or legally able to undertake, or that is, from its nature, not in the line of the Corporation's business or is of no practical advantage to it or that is one in which the Corporation has no interest or reasonable expectancy.

Section 4. Amendment of this Article. Notwithstanding anything to the contrary elsewhere contained in this Restated Certificate, subject to the rights of the holders of any series of Preferred Stock then outstanding, and in addition to any vote required by applicable law, the affirmative vote of the holders of at least eighty percent (80%) of the voting power of the then outstanding shares of Voting Stock, voting together as a single class, shall be required to alter, amend or repeal, or to adopt any provision inconsistent with, this ARTICLE EIGHT; *provided however*, that, to the fullest extent permitted by law, neither the alteration, amendment or repeal of this ARTICLE EIGHT nor the adoption of any provision of this Restated Certificate inconsistent with this ARTICLE EIGHT shall apply to or have any effect on the liability or alleged liability of any Exempted Person for or with respect to any activities or opportunities which such Exempted Person becomes aware prior to such alteration, amendment, repeal or adoption.

Section 5. Deemed Notice. Any person or entity purchasing or otherwise acquiring or holding any interest in any shares of the Corporation shall be deemed to have notice of and to have consented to the provisions of this ARTICLE EIGHT.

## ARTICLE NINE

Section 1. Section 203 of the DGCL. The Corporation expressly elects not to be subject to the provisions of Section 203 of the DGCL.

Section 2. Business Combinations with Interested Stockholders. Notwithstanding any other provision in this Restated Certificate to the contrary, the Corporation shall not engage in any Business Combination (as defined hereinafter), at any point in time at which the Common Stock is registered under Section 12(b) or 12(g) of the Exchange Act of 1934, as amended (the "Exchange Act"), with any Interested Stockholder (as defined hereinafter) for a period of three years following the time that such stockholder became an Interested Stockholder, unless:

(a) prior to such time the Board of Directors approved either the Business Combination or the transaction which resulted in such stockholder becoming an Interested Stockholder;

(b) upon consummation of the transaction which resulted in such stockholder becoming an Interested Stockholder, such stockholder owned at least eighty-five percent (85%) of the Voting Stock of the Corporation outstanding at the time the transaction commenced, excluding for purposes of determining the Voting Stock outstanding (but not the outstanding Voting Stock owned by such Interested Stockholder) those shares owned (i) by Persons (as defined hereinafter) who are directors and also officers of the Corporation and (ii) employee stock plans of the Corporation in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

(c) at or subsequent to such time, the Business Combination is approved by the Board of Directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the outstanding Voting Stock which is not owned by such Interested Stockholder.

Section 3. Exceptions to Prohibition on Interested Stockholder Transactions. The restrictions contained in this ARTICLE NINE shall not apply if:

(a) a stockholder becomes an Interested Stockholder inadvertently and (i) as soon as practicable divests itself of ownership of sufficient shares so that the stockholder ceases to be an Interested Stockholder; and (ii) would not, at any time within the three- year period immediately prior to a Business Combination between the Corporation and such stockholder, have been an Interested Stockholder but for the inadvertent acquisition of ownership; or

(b) the Business Combination is proposed prior to the consummation or abandonment of and subsequent to the earlier of the public announcement or the notice required hereunder of a proposed transaction which (i) constitutes one of the transactions described in the second sentence of this Section 3(b) of ARTICLE NINE; (ii) is with or by a Person who either was not an Interested Stockholder during the previous three years or who became an Interested Stockholder with the approval of the Board of Directors; and (iii) is approved or not opposed by a majority of the directors then in office (but not less than one) who were directors prior to any Person becoming an Interested Stockholder during the previous three years or were recommended for election or elected to succeed such directors by a majority of such directors. The proposed transactions referred to in the preceding sentence are limited to (x) a merger or consolidation of the Corporation (except for a merger in respect of which, pursuant to Section 251(f) of the DGCL, no vote of the stockholders of the Corporation is required); (y) a sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation (other than to any direct or indirect wholly-owned subsidiary or to the Corporation) having an aggregate market value equal to fifty percent (50%) or more of either that aggregate market value of all of the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding Stock (as defined hereinafter) of the Corporation; or (z) a proposed tender or exchange offer for fifty percent (50%) or more of the outstanding Voting Stock of the Corporation. The Corporation shall give not less than 20 days' notice to all Interested Stockholders prior to the consummation of any of the transactions described in clause (x) or (y) of the second sentence of this Section 3(b) of ARTICLE NINE.

Section 4. Definitions. As used in this ARTICLE NINE only, and unless otherwise provided by the express terms of this ARTICLE NINE, the following terms shall have the meanings ascribed to them as set forth in this Section 4 and, to the extent such terms are defined elsewhere in this Restated Certificate, such definitions shall not apply to this Article NINE:

(a) “Affiliate” means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another Person;

(b) “Associate,” when used to indicate a relationship with any Person, means: (i) any corporation, partnership, unincorporated association or other entity of which such Person is a director, officer or general partner or is, directly or indirectly, the owner of twenty percent (20%) or more of any class of Voting Stock; (ii) any trust or other estate in which such Person has at least a twenty percent (20%) beneficial interest or as to which such Person serves as trustee or in a similar fiduciary capacity; and (iii) any relative or spouse of such Person, or any relative of such spouse, who has the same residence as such Person;

(c) “Business Combination” means:

(i) any merger or consolidation of the Corporation or any direct or indirect majority-owned subsidiary of the Corporation with (A) the Interested Stockholder, or (B) any other corporation, partnership, unincorporated association or entity if the merger or consolidation is caused by the Interested Stockholder and as a result of such merger or consolidation Section 2 of this ARTICLE NINE is not applicable to the surviving entity;

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), except proportionately as a stockholder of the Corporation, to or with the Interested Stockholder, whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation which assets have an aggregate market value equal to ten percent (10%) or more of either the aggregate market value of all the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding Stock of the Corporation;

(iii) any transaction which results in the issuance or transfer by the Corporation or by any direct or indirect majority-owned subsidiary of the Corporation of any Stock of the Corporation or of such subsidiary to the Interested Stockholder, except: (A) pursuant to the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into Stock of the Corporation or any such subsidiary which securities were outstanding prior to the time that the Interested Stockholder became such; (B) pursuant to a merger under Section 251(g) of the DGCL; (C) pursuant to a dividend or distribution paid or made, or the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into Stock of the Corporation or any such subsidiary which security is distributed, pro rata to all holders of a class or series

of Stock of the Corporation subsequent to the time the Interested Stockholder became such; (D) pursuant to an exchange offer by the Corporation to purchase Stock made on the same terms to all holders of such Stock; or (E) any issuance or transfer of Stock by the Corporation; *provided however*, that in no case under items (C)-(E) of this Section 4(c)(iii) of ARTICLE NINE shall there be an increase in the Interested Stockholder's proportionate share of the Stock of any class or series of the Corporation or of the Voting Stock of the Corporation;

(iv) any transaction involving the Corporation or any direct or indirect majority-owned subsidiary of the Corporation which has the effect, directly or indirectly, of increasing the proportionate share of the Stock of any class or series, or securities convertible into the Stock of any class or series, of the Corporation or of any such subsidiary which is owned by the Interested Stockholder, except as a result of immaterial changes due to fractional share adjustments or as a result of any purchase or redemption of any shares of Stock not caused, directly or indirectly, by the Interested Stockholder; or

(v) any receipt by the Interested Stockholder of the benefit, directly or indirectly (except proportionately as a stockholder of the Corporation), of any loans, advances, guarantees, pledges or other financial benefits (other than those expressly permitted in Sections 4(c)(i)-(iv) of ARTICLE NINE) provided by or through the Corporation or any direct or indirect majority-owned subsidiary of the Corporation;

(d) "control," including the terms "controlling," "controlled by," and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of Voting Stock, by contract or otherwise. A Person who is the owner of twenty percent (20%) or more of the outstanding Voting Stock of any corporation, partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary; notwithstanding the foregoing, a presumption of control shall not apply where such Person holds Voting Stock, in good faith and not for the purpose of circumventing this ARTICLE NINE, as an agent, bank, broker, nominee, custodian or trustee for one or more owners who do not individually or as a group (as such term is used in Rule 13d-5 under the Securities Exchange Act of 1934, as such Rule is in effect as of the date of this Restated Certificate) have control of such entity;

(e) "Interested Stockholder" means any Person (other than the Corporation and any direct or indirect majority-owned subsidiary of the Corporation) that (i) is the owner of fifteen percent (15%) or more of the outstanding Voting Stock of the Corporation, or (ii) is an Affiliate or Associate of the Corporation and was the owner of fifteen percent (15%) or more of the outstanding Voting Stock of the Corporation at any time within the three-year period immediately prior to the date on which it is sought to be determined whether such Person is an Interested Stockholder, and the affiliates and associates of such Person. Notwithstanding anything in this ARTICLE NINE to the contrary, the term "Interested Stockholder" shall not include: (x) Vista or any of its Affiliated Companies, or any other

Person with whom any of the foregoing are acting as a group or in concert for the purpose of acquiring, holding, voting or disposing of shares of Stock of the Corporation, (y) any Person who would otherwise be an Interested Stockholder either in connection with or because of a transfer, sale, assignment, conveyance, hypothecation, encumbrance, or other disposition of five percent (5%) or more of the outstanding Voting Stock of the Corporation (in one transaction or a series of transactions) by Vista or any of its affiliates or associates to such Person; *provided, however*, that such Person was not an Interested Stockholder prior to such transfer, sale, assignment, conveyance, hypothecation, encumbrance, or other disposition; or (z) any Person whose ownership of shares in excess of the fifteen percent (15%) limitation set forth herein is the result of action taken solely by the Corporation, *provided that*, for purposes of this clause (z) only, such Person shall be an Interested Stockholder if thereafter such Person acquires additional shares of Voting Stock of the Corporation, except as a result of further action by the Corporation not caused, directly or indirectly, by such Person; *provided*, that, for the purpose of determining whether a Person is an Interested Stockholder, the Voting Stock of the Corporation deemed to be outstanding shall include Stock deemed to be owned by the Person through application of this definition of “owned” but shall not include any other unissued Stock of the Corporation which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise;

(f) “owner,” including the terms “own” and “owned,” when used with respect to any Stock, means a Person that individually or with or through any of its Affiliates or Associates beneficially owns such Stock, directly or indirectly; or has (A) the right to acquire such Stock (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; *provided, however*, that a Person shall not be deemed the owner of Stock tendered pursuant to a tender or exchange offer made by such Person or any of such Person’s Affiliates or Associates until such tendered Stock is accepted for purchase or exchange; or (B) the right to vote such Stock pursuant to any agreement, arrangement or understanding; *provided, however*, that a Person shall not be deemed the owner of any Stock because of such Person’s right to vote such Stock if the agreement, arrangement or understanding to vote such Stock arises solely from a revocable proxy or consent given in response to a proxy or consent solicitation made to 10 or more Persons; or (C) has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent as described in (B) of this Section 4(f) of ARTICLE NINE), or disposing of such Stock with any other Person that beneficially owns, or whose affiliates or associates beneficially own, directly or indirectly, such Stock;

(g) “Person” means any individual, corporation, partnership, unincorporated association or other entity;

(h) “Stock” means, with respect to any corporation, any capital stock of such corporation and, with respect to any other entity, any equity interest of such entity; and

(i) “Voting Stock” means, with respect to any corporation, Stock of any class or series entitled to vote generally in the election of directors and, with respect to any entity that is not a corporation, any equity interest entitled to vote generally in the election of the governing body of such entity. Every reference to a percentage of Voting Stock shall refer to such percentage of the votes of such Voting Stock.

## ARTICLE TEN

Section 1. Amendments to the Bylaws. Subject to the rights of holders of any series of Preferred Stock then outstanding, in furtherance and not in limitation of the powers conferred by law, prior to the first date (the “Amendment Trigger Date”) on which Vista and its Affiliated Companies cease to beneficially own in the aggregate (directly or indirectly) at least 50% of the voting power of the then outstanding Voting Stock, the Bylaws may be amended, altered or repealed and new bylaws made by, (i) the Board or (ii) in addition to any vote of the holders of any class or series of capital stock of the Corporation required herein (including any certificate of designation relating any series of Preferred Stock) and any other vote otherwise required by applicable law, the affirmative vote of the holders of at least a majority of the voting power of all of the then outstanding shares of Voting Stock, voting together as a single class. On and after the Amendment Trigger Date, the Bylaws may be amended, altered or repealed and new bylaws made by (i) the Board or (ii) in addition to any vote of the holders of any class or series of capital stock of the Corporation required herein (including any certificate of designation relating to any series of Preferred Stock), the Bylaws or applicable law, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the voting power of the then outstanding Voting Stock, voting together as a single class.

Section 2. Amendments to this Restated Certificate. Subject to the rights of holders of any series of Preferred Stock then outstanding, and in addition to any other vote required by law or this Restated Certificate, no provision of ARTICLE FIVE, ARTICLE SIX, ARTICLE SEVEN, ARTICLE NINE, ARTICLE TEN or ARTICLE ELEVEN of this Restated Certificate may be altered, amended or repealed in any respect, nor may any provision of this Restated Certificate or the Bylaws inconsistent therewith be adopted, unless (i) prior to the Amendment Trigger Date, such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of a majority of the voting power of all outstanding shares of Voting Stock, voting together as a single class, and (ii) on and after the Amendment Trigger Date, such alteration, amendment, repeal or adoption is approved by the affirmative vote of holders of at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the voting power of all outstanding shares of Voting Stock, voting together as a single class.

## ARTICLE ELEVEN

Section 1. Exclusive Forum. Unless this Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the United States District Court for the District of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, employee or stockholder of the Corporation to the Corporation or the Corporation’s stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware, the Restated Certificate or the Bylaws or (iv) any

action asserting a claim governed by the internal affairs doctrine; provided that for the avoidance of doubt, this provision, including for any “derivative action”, will not apply to suits to enforce a duty or liability created by the Securities Act of 1933, the Securities Exchange Act of 1934 or any other claim for which the federal courts have exclusive jurisdiction. The federal district courts of the United States shall be the exclusive forum for resolutions of any complaint asserting a cause of action arising under the Securities Act of 1933.

Section 2. Notice. Any Person purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation (including, without limitation, shares of Common Stock) shall be deemed to have notice of and to have consented to the provisions of this ARTICLE ELEVEN.

## ARTICLE TWELVE

If any provision or provisions of this Restated Certificate shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Restated Certificate (including, without limitation, each portion of any paragraph of this Restated Certificate containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not, to the fullest extent permitted by applicable law, in any way be affected or impaired thereby.

**AMENDED AND RESTATED BYLAWS**  
**OF**  
**INTEGRAL AD SCIENCE HOLDING CORP.**

*A Delaware corporation*  
(Adopted as of [•], 2021)

ARTICLE I  
OFFICES

Section 1. Offices. Integral Ad Science Holding Corp. (the “Corporation”) may have an office or offices other than its registered office at such place or places, either within or outside the State of Delaware, as the Board of Directors of the Corporation (the “Board of Directors”) may from time to time determine or the business of the Corporation may require. The registered office of the Corporation in the State of Delaware shall be as stated in the Corporation’s certificate of incorporation as then in effect (the “Certificate of Incorporation”).

ARTICLE II  
MEETINGS OF STOCKHOLDERS

Section 1. Place of Meetings. The Board of Directors may designate a place, if any, either within or outside the State of Delaware, as the place of meeting for any annual meeting or for any special meeting of stockholders.

Section 2. Annual Meeting. An annual meeting of the stockholders shall be held at such date and time as is specified by resolution of the Board of Directors. At the annual meeting, stockholders shall elect directors to succeed those whose terms expire at such annual meeting and transact such other business as properly may be brought before the annual meeting pursuant to Section 11 of this ARTICLE II of these Amended and Restated Bylaws (these “Bylaws”). The Board of Directors may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board of Directors.

Section 3. Special Meetings. Special meetings of the stockholders may only be called in the manner provided in the Certificate of Incorporation. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. The Board of Directors may postpone, reschedule or cancel any special meeting of stockholders previously scheduled by the Board of Directors; provided that prior to the Stockholder Consent Trigger Date (as defined in the Certificate of Incorporation) any special meeting called at the request of Principal Stockholder (as defined herein) may not be postponed, rescheduled or canceled without the consent of the Principal Stockholder at whose request the meeting was originally called.



Section 4. Notice of Meetings. Whenever stockholders are required or permitted to take action at a meeting, notice of the meeting shall be given that shall state the place, if any, date, and time of the meeting of the stockholders, the means of remote communications, if any, by which stockholders and proxyholders not physically present may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given, not less than 10 nor more than 60 days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting, except as otherwise provided herein or required by law (meaning, here and hereinafter, as required from time to time by the General Corporation Law of the State of Delaware (the “DGCL”)) or the Certificate of Incorporation.

(a) Form of Notice. All such notices shall be delivered in writing or in any other manner permitted by the DGCL. If mailed, such notice shall be deemed given when deposited in the United States mail, postage prepaid, addressed to the stockholder at his, her or its address as the same appears on the records of the Corporation. If delivered by courier service, notice shall be deemed given at the earlier of when the notice is received or left at such stockholder’s address as the same appears on the records of the Corporation. If given by electronic mail, notice shall be deemed given when directed to such stockholder’s electronic mail address unless the stockholder has notified the Corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail or such notice is prohibited by the DGCL. Notice to stockholders may also be given by other forms of electronic transmission consented to by the stockholder. If given by facsimile telecommunication, such notice shall be deemed given when directed to a number at which the stockholder has consented to receive notice by facsimile. If given by a posting on an electronic network together with separate notice to the stockholder of such specific posting, such notice shall be deemed given upon the later of (x) such posting and (y) the giving of such separate notice. If notice is given by any other form of electronic transmission, such notice shall be deemed given when directed to the stockholder. An affidavit of the secretary or an assistant secretary of the Corporation, the transfer agent of the Corporation or any other agent of the Corporation that the notice has been given shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

(b) Waiver of Notice. Whenever notice is required to be given under any provisions of the DGCL, the Certificate of Incorporation or these Bylaws, a written waiver thereof, signed by the stockholder entitled to notice, or a waiver by electronic transmission given by the stockholder entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Neither the business to be transacted at, nor the purpose of, any meeting of the stockholders of the Corporation need be specified in any waiver of notice of such meeting. Attendance of a stockholder of the Corporation at a meeting of such stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened and does not further participate in the meeting.

(c) Notice by Electronic Transmission. Notwithstanding Section 4(a) of this ARTICLE II, a notice may not be given by electronic transmission from and after the time: (i) the Corporation is unable to deliver by electronic transmission two (2) consecutive notices given by the Corporation; and (ii) such inability becomes known to the secretary or an assistant secretary of the Corporation or to the transfer agent or other person responsible for the giving of notice. However, the inadvertent failure to treat such inability as a revocation shall not invalidate any

meeting or other action. For purposes of these Bylaws, except as otherwise limited by applicable law, the term “electronic transmission” means any form of communication not directly involving the physical transmission of paper, including the use of, or participation in, one or more electronic networks or databases (including one or more distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such recipient through an automated process. A notice by electronic mail must include a prominent legend that the communication is an important notice regarding the Corporation. A notice by electronic mail will include any files attached thereto and any information hyperlinked to a website if such electronic mail includes the contact information of an officer or agent of the corporation who is available to assist with accessing such files or information.

Section 5. List of Stockholders. The Corporation shall prepare, at least 10 days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, provided, however, if the record date for determining the stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the stockholders entitled to vote as of the 10th day before the meeting date, arranged in alphabetical order and showing the address of each such stockholder and the number of shares registered in the name of each such stockholder. Nothing contained in this section shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least 10 days prior to the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the principal place of business of the Corporation. In the event the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, the list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the list shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 5 or to vote in person or by proxy at any meeting of stockholders.

Section 6. Quorum. The holders of a majority in voting power of the outstanding capital stock entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders, except as otherwise provided by law, by the Certificate of Incorporation or these Bylaws. If a quorum is not present, the chair of the meeting or the holders of a majority of the voting power present in person or represented by proxy at the meeting and entitled to vote at the meeting may adjourn the meeting to another time and/or place from time to time until a quorum shall be present in person or represented by proxy. When a specified item of business requires a vote by a class or series (if the Corporation shall then have outstanding shares of more than one class or series) voting as a separate class or series, the holders of a majority in voting power of the outstanding stock of such class or series shall constitute a quorum (as to such class or series) for the transaction of such item of business. A quorum once established at a meeting shall not be broken by the withdrawal of enough votes to leave less than a quorum.

Section 7. Adjourned Meetings. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place. When a meeting is adjourned to another time and place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors and, except as otherwise required by law, shall not be more than 60 days nor less than 10 days before the date of such adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

Section 8. Vote Required. Subject to the rights of the holders of any series of preferred stock then outstanding, when a quorum has been established, all matters other than the election of directors shall be determined by the affirmative vote of the majority of voting power of capital stock present in person or represented by proxy at the meeting and entitled to vote on the subject matter, unless by express provisions of the DGCL or other an applicable law, the rules of any stock exchange upon which the Corporation's securities are listed, any regulation applicable to the Corporation or its securities, the Certificate of Incorporation or these Bylaws a minimum or different vote is required, in which case such minimum or different vote shall be the required vote for such matter. Except as otherwise provided in the Certificate of Incorporation, directors shall be elected by a plurality of the votes cast.

Section 9. Voting Rights. Subject to the rights of the holders of any series of preferred stock then outstanding, except as otherwise provided by the DGCL or the Certificate of Incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote in person or by proxy for each share of capital stock held by such stockholder which has voting power upon the matter in question. Voting at meetings of stockholders need not be by written ballot.

Section 10. Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent to corporate action without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the Corporation generally.

(a) Business at Annual Meetings of Stockholders.

(i) Only such business (other than nominations of persons for election to the Board of Directors, which must be made in compliance with and are governed exclusively by Section 11(b) of this ARTICLE II) shall be conducted at an annual meeting of the stockholders as shall have been brought before the meeting (A) as specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors or any duly authorized committee thereof, (B) by or at the direction of the Board of Directors or any duly authorized committee thereof, or (C) by any stockholder of the Corporation who (1) was a stockholder of record at the time of giving of notice provided for in Section 11(a)(iii) of this ARTICLE II, on the record date for determination of stockholders of the Corporation entitled to vote at the meeting, and at the time of the annual meeting, (2) at the time of the meeting, is entitled to vote at the meeting and (3) complies with the notice procedures set forth in Section 11(a)(iii) of this ARTICLE II. For the avoidance of doubt, the foregoing clause (C) of this Section 11(a)(i) of ARTICLE II shall be the exclusive means for a stockholder to propose such business (other than business included in the Corporation's proxy materials pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") or business brought by the Principal Stockholder (as defined below) and any entity that controls, is controlled by or under common control with the Principal Stockholder (other than the Corporation and any entity that is controlled by the Corporation) and any investment vehicles or funds managed or controlled, directly or indirectly, by or otherwise affiliated with the Principal Stockholder (the "Principal Stockholder Affiliates") at any time prior to the Advance Notice Trigger Date (as defined below)) before an annual meeting of stockholders.

(ii) For any business (other than (A) nominations of persons for election to the Board of Directors, which must be made in compliance with and are governed exclusively by Section 11(b) of this ARTICLE II or (B) business brought by any of Vista Equity Partners Fund VI, L.P., Vista Equity Partners Fund VI-A, L.P., VEPF VI FAF, L.P., Vista Equity Partners Fund VI GP, L.P., VEPF VI GP, Ltd., and VEP Group, LLC (collectively, the "Principal Stockholder") and/or the Principal Stockholder Affiliates at any time prior to the date when the Principal Stockholder ceases to beneficially own in the aggregate (directly or indirectly) at least 10% of the voting power of the then outstanding shares of capital stock of the Corporation then entitled to vote generally in the election of directors (the "Advance Notice Trigger Date")) to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in proper written form as described in Section 11(a)(iii) of this ARTICLE II to the Secretary; any such proposed business must be a proper matter for stockholder action and the stockholder and the Stockholder Associated Person (as defined in Section 11(e) of this ARTICLE II) must have acted in accordance with the representations set forth in the Solicitation Statement (as defined in Section 11(a)(iii) of this ARTICLE II)

required by these Bylaws. To be timely, a stockholder's notice for such business (other than such a notice by the Principal Stockholder prior to the Advance Notice Trigger Date, which may be delivered at any time prior to the mailing of the definitive proxy statement pursuant to Section 14(a) of the Exchange Act related to the next annual meeting of stockholders) must be delivered by hand and received by the Secretary at the principal executive offices of the Corporation in proper written form not less than ninety (90) days and not more than one hundred twenty (120) days prior to the first anniversary of the preceding year's annual meeting of stockholders (which date shall, for purposes of the Corporation's first annual meeting of stockholders after its shares of Common Stock are first publicly traded, be deemed to have occurred on [•], 20[•]); provided, however, that if and only if the annual meeting is not scheduled to be held within a period that commences thirty (30) days before such anniversary date and ends seventy (70) days after such anniversary date, or if no annual meeting was held in the preceding year (other than for purposes of the Corporation's first annual meeting of stockholders after its shares of Common Stock are first publicly traded), such stockholder's notice must be delivered not earlier than the 120th day prior to the date of such annual meeting and by the later of (A) the tenth day following the day the Public Announcement (as defined in Section 11(e) of this ARTICLE II) of the date of the annual meeting is first made or (B) the date which is ninety (90) days prior to the date of the annual meeting. In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Notices delivered pursuant to Section 11(a) of this ARTICLE II will be deemed received on any given day only if received prior to the Close of Business on such day (and otherwise shall be deemed received on the next succeeding Business Day).

(iii) To be in proper written form, a stockholder's notice to the Secretary must set forth as to each matter of business the stockholder proposes to bring before the annual meeting:

(A) a brief description of the business desired to be brought before the annual meeting (including the specific text of any proposal, resolutions or actions proposed for consideration and if such business includes a proposal to amend these Bylaws, the specific language of the proposed amendment) and the reasons for conducting such business at the annual meeting,

(B) the name and address of the stockholder proposing such business, as they appear on the Corporation's books, the name and address (if different from the Corporation's books) of such proposing stockholder, and the name and address of any Stockholder Associated Person,

(C) the class or series and number of shares of stock of the Corporation which are directly or indirectly held of record or beneficially owned by such stockholder or by any Stockholder Associated Person, a description of any Derivative Positions (as defined in Section 11(e) of this ARTICLE II) directly or indirectly held or beneficially held by the stockholder or any Stockholder Associated Person, and whether and to the extent to which a Hedging Transaction (as defined in Section 11(e) of this ARTICLE II) has been entered into by or on behalf of such stockholder or any Stockholder Associated Person,

(D) a description of all arrangements or understandings between or among such stockholder or any Stockholder Associated Person and any other person or entity (including their names) in connection with the proposal of such business by such stockholder and any material interest of such stockholder, any Stockholder Associated Person or such other person or entity in such business,

(E) a representation that such stockholder is a stockholder of record of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the annual meeting to bring such business before the meeting,

(F) any other information related to such stockholder or any Stockholder Associated Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies or consents (even if a solicitation is not involved) by such stockholder or Stockholder Associated Person in support of the business proposed to be brought before the meeting pursuant to Section 14 of the Exchange Act, and the rules, regulations and schedules promulgated thereunder, and

(G) a representation as to whether such stockholder or any Stockholder Associated Person intends or is part of a group which intends to deliver a proxy statement and/or form of proxy to the holders of at least the percentage of the Corporation's outstanding capital stock required to approve the proposal or otherwise to solicit proxies or votes from stockholders in support of the proposal (such representation, a "Solicitation Statement").

In addition, any stockholder who submits a notice pursuant to Section 11(a) of this ARTICLE II is required to update and supplement the information disclosed in such notice, if necessary, in accordance with Section 11(d) of this ARTICLE II.

(iv) Notwithstanding anything in these Bylaws to the contrary, no business (other than nominations of persons for election to the Board of Directors, which must be made in compliance with and are governed exclusively by Section 11(b) of this ARTICLE II and business included in the Corporation's proxy materials pursuant to the Exchange Act) shall be conducted at an annual meeting except in accordance with the procedures set forth in Section 11(a) of this ARTICLE II.

(b) Nominations at Annual Meetings of Stockholders.

(i) Only persons who are nominated in accordance and compliance with the procedures set forth in this Section 11(b) of ARTICLE II shall be eligible for election to the Board of Directors at an annual meeting of stockholders.

(ii) Nominations of persons for election to the Board of Directors of the Corporation may be made at an annual meeting of stockholders only (A) by or at the direction of the Board of Directors or any duly authorized committee thereof or (B) by any stockholder of the Corporation who (1) was a stockholder of record at the time of giving of notice provided for in this Section 11(b) of ARTICLE II on the record date for determination of stockholders of the Corporation entitled to vote at the meeting, and at the time of the annual meeting, (2) is entitled to vote at the meeting and (3) complies with the notice procedures set forth in this Section 11(b) of ARTICLE II. For the avoidance of doubt, clause (B) of this Section 11(b)(ii) of ARTICLE II shall be the exclusive means for a stockholder to make nominations of persons for election to the Board of Directors at an annual meeting of stockholders. For nominations to be properly brought by a stockholder at an annual meeting of stockholders, the stockholder must have given timely notice thereof in proper written form as described in Section 11(b)(iii) of this ARTICLE II to the Secretary and the stockholder and the Stockholder Associated Person must have acted in accordance with the representations set forth in the Nomination Solicitation Statement required by these Bylaws. To be timely, a stockholder's notice for the nomination of persons for election to the Board of Directors (other than such a notice by the Principal Stockholder prior to the Advance Notice Trigger Date, which may be delivered at any time prior to the mailing of the definitive proxy statement pursuant to Section 14(a) of the Exchange Act related to the next annual meeting of stockholders) must be delivered to the Secretary at the principal executive offices of the Corporation in proper written form not less than ninety (90) days and not more than one hundred twenty (120) days prior to the first anniversary of the preceding year's annual meeting of stockholders (which date shall, for purposes of the Corporation's first annual meeting of stockholders after its shares of Common Stock are first publicly traded, be deemed to have occurred on [•], 20[•]); provided, however, that if and only if the annual meeting is not scheduled to be held within a period that commences thirty (30) days before such anniversary date and ends seventy (70) days after such anniversary date, or if no annual meeting was held in the preceding year (other than for purposes of the Corporation's first annual meeting of stockholders after its shares of Common Stock are first publicly traded), such stockholder's notice must be delivered not earlier than the 120th day prior to the date of such annual meeting and by the later of the tenth day following the day the Public Announcement of the date of the annual meeting is first made and the date which is ninety (90) days prior to the date of the annual meeting. In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Notices delivered pursuant to this Section 11(b) of ARTICLE II will be deemed received on any given day if received prior to the Close of Business on such day (and otherwise on the next succeeding day). For the avoidance of doubt, a stockholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in these Bylaws.

(iii) To be in proper written form, a stockholder's notice to the Secretary shall set forth:

(A) as to each person that the stockholder proposes to nominate for election or re-election as a director of the Corporation, (1) the name, age, business address and residence address of the person, (2) the principal occupation or employment of the person, (3) the class or series and number of shares of capital stock of the Corporation which are directly or indirectly owned beneficially or of record by the person, (4) the date such shares were acquired and the investment intent of such acquisition and (5) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies or consents for a contested election of directors (even if an election contest or proxy solicitation is not involved), or is otherwise required, pursuant to Section 14 of the Exchange Act, and the rules, regulations and schedules promulgated thereunder (including such person's written consent to being named in the proxy statement as a nominee of the stockholder, if applicable, and to serving as a director if elected),

(B) as to the stockholder giving the notice, the name and address of such stockholder, as they appear on the Corporation's books, the name and address (if different from the Corporation's books) of such proposing stockholder, and the name and address of any Stockholder Associated Person,

(C) the class or series and number of shares of stock of the Corporation which are directly or indirectly held of record or beneficially owned by such stockholder or by any Stockholder Associated Person with respect to the Corporation's securities, a description of any Derivative Positions directly or indirectly held or beneficially held by the stockholder or any Stockholder Associated Person, and whether and the extent to which a Hedging Transaction has been entered into by or on behalf of such stockholder or any Stockholder Associated Person,

(D) a description of all arrangements or understandings (including financial transactions and direct or indirect compensation) between or among such stockholder or any Stockholder Associated Person and each proposed nominee and any other person or entity (including their names) pursuant to which the nomination(s) are to be made by such stockholder,



(E) a representation that such stockholder is a holder of record of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the persons named in its notice,

(F) any other information relating to such stockholder or any Stockholder Associated Person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies or consents for a contested election of directors (even if an election contest or proxy solicitation is not involved), or otherwise required, pursuant to Section 14 of the Exchange Act, and the rules, regulations and schedules promulgated thereunder, and

(G) a representation as to whether such stockholder or any Stockholder Associated Person intends or is part of a group which intends to deliver a proxy statement and/or form of proxy to the holders of a sufficient number of the Corporation's outstanding shares reasonably believed by the stockholder or any Stockholder Associated Person, as the case may be, to elect each proposed nominee or otherwise to solicit proxies or votes from stockholders in support of the nomination (such representation, a "Nomination Solicitation Statement").

In addition, any stockholder who submits a notice pursuant to this Section 11(b) of ARTICLE II is required to update and supplement the information disclosed in such notice, if necessary, in accordance with Section 11(d) of this ARTICLE II and shall comply with Section 11(f) of this ARTICLE II.

(iv) Notwithstanding anything in Section 11(b)(ii) of this ARTICLE II to the contrary, if the number of directors to be elected to the Board of Directors is increased effective after the time period for which nominations would otherwise be due under paragraph 11(b)(ii) of this Article II and there is no Public Announcement naming the nominees for additional directorships at least ten (10) days prior to the last day a stockholder may deliver a notice of nomination in accordance with Section 11(b)(ii), a stockholder's notice required by Section 11(b)(ii) of this ARTICLE II shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be received by the Secretary at the principal executive offices of the Corporation not later than the Close of Business on the tenth day following the day on which such Public Announcement is first made by the Corporation. The number of nominees a stockholder may nominate for election at the annual meeting (or in the case of a stockholder giving the notice on behalf of a beneficial owner, the number of nominees a stockholder may nominate for election at the annual meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such annual meeting.

(c) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the notice of meeting. Only persons who are nominated in accordance and compliance with the procedures set forth in this Section 11(c) of ARTICLE II shall be eligible for election to the Board of Directors at a special meeting of stockholders at which directors are to be elected. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the notice of meeting only (i) by or at the direction of the Board of Directors, any duly authorized committee thereof, or stockholders (if stockholders are permitted to call a special meeting of stockholders pursuant to Section 2 of Article SEVEN of the Certificate of Incorporation) or (ii) provided that the Board of Directors or stockholders (if stockholders are permitted to call a special meeting of stockholders pursuant to Section 2 of Article Eight of the Certificate of Incorporation) has determined that directors are to be elected at such special meeting, by any stockholder of the Corporation who (A) was a stockholder of record at the time of giving of notice provided for in this Section 11(c) of ARTICLE II and at the time of the special meeting, (B) is entitled to vote at the meeting and (C) complies with the notice procedures provided for in this Section 11(c) of ARTICLE II. For nominations to be properly brought by a stockholder at a special meeting of stockholders, the stockholder must have given timely notice thereof in proper written form as described in this Section 11(c) of ARTICLE II to the Secretary. To be timely, a stockholder's notice for the nomination of persons for election to the Board of Directors (other than such a notice by the Principal Stockholder prior to the Advance Notice Trigger Date, which may be delivered at any time prior to the mailing of the definitive proxy statement pursuant to Section 14(a) of the Exchange Act related to the special meeting of stockholders) must be received by the Secretary at the principal executive offices of the Corporation not earlier than the 120th day prior to such special meeting and not later than the Close of Business on the later of the 90th day prior to such special meeting or the tenth day following the day on which a Public Announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall any adjournment or postponement of a special meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Notices delivered pursuant to this Section 11(c) of ARTICLE II will be deemed received on any given day if received prior to the Close of Business on such day (and otherwise on the next succeeding day). To be in proper written form, such stockholder's notice shall set forth all of the information required by, and otherwise be in compliance with, Section 11(b)(iii) of this ARTICLE II. In addition, any stockholder who submits a notice pursuant to this Section 11(c) of ARTICLE II is required to update and supplement the information disclosed in such notice, if necessary, in accordance with Section 11(d) of this ARTICLE II and shall comply with Section 11(f) of this ARTICLE II. The number of nominees a stockholder may nominate for election at the special meeting (or in the case of a stockholder giving the notice on behalf of a beneficial owner, the number of nominees a stockholder may nominate for election at the special meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such special meeting.

(d) Update and Supplement of Stockholder's Notice. Any stockholder who submits a notice of proposal for business or nomination for election pursuant to this Section 11 of ARTICLE II is required to update and supplement the information disclosed in such notice, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for determining the stockholders entitled to notice of the meeting of stockholders and as of the date that is ten (10) Business Days prior to such meeting of the stockholders or any adjournment or postponement thereof, and such update and supplement shall be received by the Secretary at the principal executive offices of the Corporation not later than the Close of Business on the fifth Business Day after the record date for the meeting of stockholders

(in the case of the update and supplement required to be made as of the record date), and not later than the Close of Business on the eighth Business Day prior to the date for the meeting of stockholders or any adjournment or postponement thereof (in the case of the update and supplement required to be made as of ten (10) Business Days prior to the meeting of stockholders or any adjournment or postponement thereof).

(e) Definitions. For purposes of this Section 11 of ARTICLE II, the term:

(i) “Business Day” shall mean each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in Salt Lake City, UT or New York, NY are authorized or obligated by law or executive order to close;

(ii) “Close of Business” shall mean 5:00 p.m. local time at the principal executive offices of the Corporation, and if an applicable deadline falls on the Close of Business on a day that is not a Business Day, then the applicable deadline shall be deemed to be the Close of Business on the immediately preceding Business Day;

(iii) “Derivative Positions” means, with respect to a stockholder or any Stockholder Associated Person, any derivative positions including, without limitation, any short position, profits interest, option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise and any performance-related fees to which such stockholder or any Stockholder Associated Person is entitled based, directly or indirectly, on any increase or decrease in the value of shares of capital stock of the Corporation;

(iv) “Hedging Transaction” means, with respect to a stockholder or any Stockholder Associated Person, any hedging or other transaction (such as borrowed or loaned shares) or series of transactions, or any other agreement, arrangement or understanding, the effect or intent of which is to increase or decrease the voting power or economic or pecuniary interest of such stockholder or any Stockholder Associated Person with respect to the Corporation’s securities;

(v) “Public Announcement” means disclosure in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or comparable news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act; and

(vi) “Stockholder Associated Person” of any stockholder means (A) any person controlling, directly or indirectly, or acting in concert with, such stockholder, (B) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder or (C) any person directly or indirectly controlling, controlled by or under common control with such Stockholder Associated Person.

(f) Submission of Questionnaire, Representation and Agreement. To be qualified to be a nominee for election or re-election as a director of the Corporation, a person must deliver (in the case of a person nominated by a stockholder in accordance with Sections 11(b) or 11(c) of this ARTICLE II, in accordance with the time periods prescribed for delivery of notice under such sections) to the Secretary at the principal executive offices of the Corporation a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request of any stockholder of record identified by name within five Business Days of such written request) and a written representation and agreement (in the form provided by the Secretary upon written request of any stockholder of record identified by name within five Business Days of such) that such person (i) is not and will not become a party to (A) any agreement, arrangement or understanding (whether written or oral) with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a “Voting Commitment”) that has not been disclosed to the Corporation or (B) any Voting Commitment that could limit or interfere with such person’s ability to comply, if elected as a director of the Corporation, with such person’s fiduciary duties under applicable law, (ii) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed to the Corporation and (iii) would be in compliance, and if elected as a director of the Corporation will comply, with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation.

(g) Update and Supplement of Nominee Information. The Corporation may also, as a condition to any such nomination or business being deemed properly brought before an annual meeting, require any Stockholder Associated Person or proposed nominee to deliver to the Secretary, within five Business Days of any such request, such other information as may reasonably be requested by the Corporation, including such other information as may be reasonably required by the Board, in its sole discretion, to determine (A) the eligibility of such proposed nominee to serve as a director of the Corporation, (B) whether such nominee qualifies as an “independent director” or “audit committee financial expert” under applicable law, Securities and Exchange Commission and stock exchange rules or regulation, or any publicly disclosed corporate governance guideline or committee charter of the Corporation and (C) such other information that the Board of Directors determines, in its sole discretion, could be material to a reasonable stockholder’s understanding of the independence, or lack thereof, of such nominee.

(h) Authority of Chair; General Provisions. Except as otherwise provided by applicable law, the Certificate of Incorporation or these Bylaws, the chair of the meeting shall have the power and duty to determine whether any nomination or other business proposed to be brought before the meeting was made or brought in accordance with the procedures set forth in these Bylaws (including whether the stockholder or Stockholder Associated Person, if any, on whose

behalf the nomination or proposal is made or solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies or votes in support of such stockholder's nominee or proposal in compliance with such stockholder's representation as required by Section 11(a)(iii)(G) or Section 11(b)(iii)(G), as applicable, of these Bylaws) and, if any nomination or other business is not made or brought in compliance with these Bylaws, to declare that such nomination or proposal of other business be disregarded and not acted upon. Notwithstanding the foregoing provisions of this Section 11, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 11, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(i) Compliance with Exchange Act. Notwithstanding the foregoing provisions of these Bylaws, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules, regulations and schedules promulgated thereunder with respect to the matters set forth in these Bylaws; provided, however, that any references in these Bylaws to the Exchange Act or the rules, regulations and schedules promulgated thereunder are not intended to and shall not limit the requirements applicable to any nomination or other business to be considered pursuant to Section 11 of this ARTICLE II.

(j) Effect on Other Rights. Nothing in these Bylaws shall be deemed to (A) affect any rights of the stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act, (B) confer upon any stockholder a right to have a nominee or any proposed business included in the Corporation's proxy statement, except as set forth in the Certificate of Incorporation or these Bylaws, (C) affect any rights of the holders of any series of preferred stock to elect directors pursuant to any applicable provisions of the Certificate of Incorporation or (D) limit the exercise, the method or timing of the exercise of, the rights of any person granted by the Corporation to nominate directors (including pursuant to that Director Nomination Agreement, dated as of on or about [•], 20[•] (as amended and/or restated or supplemented from time to time, the "Nomination Agreement"), by and among the Corporation and the investors named therein, which rights may be exercised without compliance with the provisions of this Section 11 of ARTICLE II.

Section 12. Fixing a Record Date for Stockholder Meetings. In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 60 days nor less than 10 days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting

shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be the close of business on the next day preceding the day on which notice is first given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting in conformity herewith; and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the foregoing provisions of this Section 12 at the adjourned meeting.

Section 13. Action by Stockholders Without a Meeting. So long as stockholders of the Corporation have the right to act by written consent in accordance with Section 1 of ARTICLE SEVEN of the Certificate of Incorporation, the following provisions shall apply:

(a) Record Date. For the purpose of determining the stockholders entitled to consent to corporate action without a meeting as may be permitted by the Certificate of Incorporation or the certificate of designation relating to any outstanding class or series of preferred stock, the Board of Directors may fix a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten (10) (or the maximum number permitted by applicable law) days after the date on which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take action by consent in lieu of a meeting shall, by written notice delivered to the Secretary at the Corporation's principal place of business during regular business hours, request that the Board of Directors fix a record date, which notice shall include the text of any proposed resolutions. Notices delivered pursuant to Section 13(a) of this ARTICLE II will be deemed received on any given day only if received prior to the close of business on such day (and otherwise shall be deemed received on the next succeeding business day). The Board of Directors shall promptly, but in all events within ten (10) days after the date on which such written notice is properly delivered to and deemed received by the Secretary, adopt a resolution fixing the record date (unless a record date has previously been fixed by the Board of Directors pursuant to the first sentence of this Section 13(a)). If no record date has been fixed by the Board of Directors pursuant to this Section 13(a) or otherwise within ten (10) days of receipt of a valid request by a stockholder, the record date for determining stockholders entitled to consent to corporate action without a meeting, when no prior action by the Board of Directors is required pursuant to applicable law, shall be the first date after the expiration of such ten (10) day time period on which a signed consent setting forth the action taken or proposed to be taken is delivered to the Corporation pursuant to Section 13(b); provided, however, that if prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action without a meeting shall in such an event be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(b) Generally. No consent shall be effective to take the corporate action referred to therein unless consents signed by a sufficient number of stockholders to take such action are delivered to the Corporation, in the manner required by this Section 13, within sixty (60) (or the maximum number permitted by applicable law) days of the first date on which a consent is delivered to the Corporation in the manner required by applicable law. The validity of any consent executed by a proxy for a stockholder pursuant to an electronic transmission transmitted to such proxy holder by or upon the authorization of the stockholder shall be determined by or at the direction of the Secretary. A written record of the information upon which the person making such determination relied shall be made and kept in the records of the proceedings of the stockholders. Any such consent shall be inserted in the minute book as if it were the minutes of a meeting of stockholders. Prompt notice of the taking of the corporate action without a meeting by less than unanimous consent shall be given by the Corporation (at its expense) to those stockholders who have not consented and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that consents signed by a sufficient number of holders to take the action were delivered to the Corporation.

#### Section 14. Conduct of Meetings.

(a) Generally. Meetings of stockholders shall be presided over by the Chair of the Board, if any, or in the Chair's absence or disability, by the Chief Executive Officer, or in the Chief Executive Officer's absence or disability, by the President, or in the President's absence or disability, by a Vice President (in the order as determined by the Board of Directors), or in the absence or disability of the foregoing persons by a chair designated by the Board of Directors, or in the absence or disability of such person, by a chair chosen at the meeting. The Secretary shall act as secretary of the meeting, but in the Secretary's absence or disability the chair of the meeting may appoint any person to act as secretary of the meeting.

(b) Rules, Regulations and Procedures. The Board of Directors may adopt by resolution such rules, regulations and procedures for the conduct of any meeting of stockholders of the Corporation as it shall deem appropriate including, without limitation, such guidelines and procedures as it may deem appropriate regarding the participation by means of remote communication of stockholders and proxyholders not physically present at a meeting. Except to the extent inconsistent with such rules, regulations and procedures as adopted by the Board of Directors, the chair of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chair of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chair of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) limitations on the time allotted to questions or comments by participants; and (vi) restrictions on the use of mobile phones, audio or video recording devices and similar devices at the meeting. The chair of the meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a nomination or matter or business was not properly brought before the meeting and if such chair should so determine, such chair shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors

or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure. The chair of the meeting shall announce at the meeting when the polls for each matter to be voted upon at the meeting will be opened and closed. After the polls close, no ballots, proxies or votes or any revocations or changes thereto may be accepted. The chair of the meeting shall have the power, right and authority, for any or no reason, to convene, recess and/or adjourn any meeting of stockholders.

(c) Inspectors of Elections. The Corporation may, and to the extent required by law shall, in advance of any meeting of stockholders, appoint one or more inspectors of election to act at the meeting and make a written report thereof. One or more other persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the chair of the meeting shall appoint one or more inspectors to act at the meeting. Unless otherwise required by law, inspectors may be officers, employees or agents of the Corporation. No person who is a candidate for an office at an election may serve as an inspector at such election. Each inspector, before entering upon the discharge of such inspector's duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of such inspector's ability. The inspector shall have the duties prescribed by law and, when the vote is completed, shall make a certificate of the result of the vote taken and of such other facts as may be required by law.

Section 15. Remote Communication. If authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication:

(a) participate in a meeting of stockholders; and

(b) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication,

provided that

(c) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder;

(d) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and

(e) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.



ARTICLE III  
DIRECTORS

Section 1. General Powers. Except as otherwise provided in this Certificate of Incorporation or the DGCL, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

Section 2. Annual Meetings. The annual meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of stockholders. In the event that the annual meeting of stockholders takes place telephonically or through any other means by which the stockholders do not convene in any one location, the annual meeting of the Board of Directors shall be held at the principal offices of the Corporation immediately after the annual meeting of the stockholders.

Section 3. Regular Meetings and Special Meetings. Regular meetings, other than the annual meeting, of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by resolution of the Board of Directors and publicized among all directors. Special meetings of the Board of Directors may be called by (i) the Chair of the Board, if any, (ii) by the Secretary upon the written request of a majority of the directors then in office or (iii) if the Board of Directors then includes a director nominated or designated for nomination by the Principal Stockholder, by any director nominated or designated for nomination by the Principal Stockholder, and in each case shall be held at the place, if any, on the date and at the time as he, she or they shall fix. Any and all business may be transacted at a special meeting of the Board of Directors.

Section 4. Notice of Meetings. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by law or these Bylaws. Notice of each special meeting of the Board of Directors, and of each regular and annual meeting of the Board of Directors for which notice is required, shall be given by the Secretary as hereinafter provided in this Section 4. Such notice shall be state the date, time and place, if any, of the meeting. Notice of any special meeting, and of any regular or annual meeting for which notice is required, shall be given to each director at least (a) twenty-four (24) hours before the meeting if by telephone or by being personally delivered or sent by overnight courier, telecopy, electronic transmission, email or similar means or (b) five (5) days before the meeting if delivered by mail to the director's residence or usual place of business. Such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid, or when transmitted if sent by telex, telecopy, electronic transmission, email or similar means. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 5. Waiver of Notice. Any director may waive notice of any meeting of directors by a writing signed by the director or by electronic transmission. Any member of the Board of Directors or any committee thereof who is present at a meeting shall have waived notice of such meeting except when such member attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened and does not further participate in the meeting. Such member shall be conclusively presumed to have assented to any action taken unless his or her dissent shall be

entered in the minutes of the meeting or unless his or her written dissent to such action shall be filed with the person acting as the secretary of the meeting before the adjournment thereof or shall be forwarded by registered mail to the secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to any member who voted in favor of such action.

Section 6. Chair of the Board, Quorum, Required Vote and Adjournment. The Board of Directors may elect a Chair of the Board. The Chair of the Board must be a director and may be an officer of the Corporation. Subject to the provisions of these Bylaws and the direction of the Board of Directors, he or she shall perform all duties and have all powers which are commonly incident to the position of Chair of the Board or which are delegated to him or her by the Board of Directors, preside at all meetings of the stockholders and Board of Directors at which he or she is present and have such powers and perform such duties as the Board of Directors may from time to time prescribe. If the Chair of the Board is not present at a meeting of the Board of Directors, the Chief Executive Officer (if the Chief Executive Officer is a director and is not also the Chair of the Board) shall preside at such meeting, and, if the Chief Executive Officer is not present at such meeting, a majority of the directors present at such meeting shall elect one of the directors present at the meeting to so preside. At all meetings of the Board of Directors, a majority of the directors then in office shall constitute a quorum for the transaction of business, provided, however, that a quorum shall never be less than one-third the total number of directors. Unless by express provision of an applicable law, the Certificate of Incorporation or these Bylaws a different vote is required, the vote of a majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. At any meeting of the Board of Directors, business shall be transacted in such order and manner as the Board of Directors may from time to time determine. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may, to the fullest extent permitted by law, adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 7. Committees.

(a) The Board of Directors may designate one or more committees, including an executive committee, consisting of one or more of the directors of the Corporation, and any committees required by the rules and regulations of such exchange as any securities of the Corporation are listed. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Except to the extent restricted by applicable law or the Certificate of Incorporation, each such committee, to the extent provided by the DGCL and in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors. Each such committee shall serve at the pleasure of the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors upon request.

(b) Each committee of the Board of Directors may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by a resolution of the Board of Directors designating such committee. Unless otherwise provided in such a resolution, the presence of at least a majority of the members of the committee shall be necessary to constitute a quorum. All matters shall be determined by a majority vote of the members present at a meeting at which a quorum is present. Unless otherwise provided in such a

resolution, in the event that a member and that member's alternate, if alternates are designated by the Board of Directors, of such committee is or are absent or disqualified, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member.

Section 8. Action by Written Consent. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing or by electronic transmission. After the action is taken, the consent or consents relating thereto shall be filed with the minutes of proceedings of the board or committee in the same paper form or electronic form as the minutes are maintained.

Section 9. Compensation. The Board of Directors shall have the authority to fix the compensation, including fees, reimbursement of expenses and equity compensation, of directors for services to the Corporation in any capacity, including for attendance of meetings of the Board of Directors or participation on any committees. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 10. Reliance on Books and Records. A member of the Board of Directors, or a member of any committee designated by the Board of Directors shall, in the performance of such member's duties, be fully protected in relying in good faith upon records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of the Corporation's officers or employees, or committees of the Board of Directors, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 11. Telephonic and Other Meetings. Unless restricted by the Certificate of Incorporation, any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

#### ARTICLE IV OFFICERS

Section 1. Number and Election. Subject to the authority of Chief Executive Officer to appoint officers as set forth in Section 11 of this Article IV, the officers of the Corporation shall be elected by the Board of Directors and shall consist of a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary, a Chief Financial Officer, a Treasurer and such other officers and assistant officers as may be deemed necessary or desirable by the Board of Directors. Any number of offices may be held by the same person. In its discretion, the Board of Directors may choose not to fill any office for any period as it may deem advisable.

Section 2. Term of Office. Each officer shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided.

Section 3. Removal. Any officer or agent of the Corporation may be removed with or without cause by the Board of Directors, a duly authorized committee thereof or by such officers as may be designated by a resolution of the Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer appointed by the Chief Executive Officer in accordance with Section 11 of this Article IV may also be removed by the Chief Executive Officer in his or her sole discretion.

Section 4. Vacancies. Any vacancy occurring in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors or the Chief Executive Officer in accordance with Section 11 of this Article IV.

Section 5. Compensation. Compensation of all executive officers shall be approved by the Board of Directors or a duly authorized committee thereof, and no officer shall be prevented from receiving such compensation by virtue of his or her also being a director of the Corporation.

Section 6. Chief Executive Officer. The Chief Executive Officer shall have the powers and perform the duties incident to that position. The Chief Executive Officer shall, in the absence of the Chair of the Board, or if a Chair of the Board shall not have been elected, preside at each meeting of (a) the Board of Directors if the Chief Executive Officer is a director and (b) the stockholders. Subject to the powers of the Board of Directors and the Chair of the Board, the Chief Executive Officer shall be in general and active charge of the entire business and affairs of the Corporation, and shall be its chief policy making officer. The Chief Executive Officer shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or provided in these Bylaws. The Chief Executive Officer is authorized to execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation. Whenever the President is unable to serve, by reason of sickness, absence or otherwise, the Chief Executive Officer shall perform all the duties and responsibilities and exercise all the powers of the President.

Section 7. The President. The President of the Corporation shall, subject to the powers of the Board of Directors, the Chair of the Board and the Chief Executive Officer, have general charge of the business, affairs and property of the Corporation, and control over its officers, agents and employees. The President shall see that all orders and resolutions of the Board of Directors are carried into effect. The President is authorized to execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation. The President shall, in the absence of the Chief Executive Officer, act with all of the powers and be subject to all of the restrictions of the Chief Executive Officer. The President shall have such other powers and perform such other duties as may be prescribed by the Chair of the Board, the Chief Executive Officer, the Board of Directors or as may be provided in these Bylaws or otherwise are incident to the position of President.

Section 8. Vice Presidents. The Vice President, or if there shall be more than one, the Vice Presidents, in the order determined by the Board of Directors or the Chair of the Board, shall, perform such duties and have such powers as the Board of Directors, the Chair of the Board, the Chief Executive Officer, the President or these Bylaws may, from time to time, prescribe or which otherwise are incident to the position of Vice President. The Vice Presidents may also be designated as Executive Vice Presidents or Senior Vice Presidents, as the Board of Directors may from time to time prescribe.

Section 9. The Secretary and Assistant Secretaries. The Secretary shall attend all meetings of the Board of Directors (other than executive sessions thereof) and all meetings of the stockholders and record all the proceedings of the meetings in a book or books to be kept for that purpose or shall ensure that his or her designee attends each such meeting to act in such capacity. Under the Board of Directors' supervision, the Secretary shall give, or cause to be given, all notices required to be given by these Bylaws or by law; shall have such powers and perform such duties as the Board of Directors, the Chair of the Board, the Chief Executive Officer, the President or these Bylaws may, from time to time, prescribe or which otherwise are incident to the position of Secretary; and shall have custody of the corporate seal of the Corporation. The Secretary, or an Assistant Secretary, shall have authority to affix the corporate seal to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his or her signature. The Assistant Secretary, or if there be more than one, any of the assistant secretaries, shall in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board of Directors, the Chair of the Board, the Chief Executive Officer, the President, or Secretary may, from time to time, prescribe.

Section 10. The Chief Financial Officer and the Treasurer. The Chief Financial Officer shall have the custody of the corporate funds and securities; shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation as shall be necessary or desirable in accordance with applicable law or generally accepted accounting principles; shall deposit all monies and other valuable effects in the name and to the credit of the Corporation as may be ordered by the Chair of the Board or the Board of Directors; shall receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever; shall cause the funds of the Corporation to be disbursed when such disbursements have been duly authorized, taking proper vouchers for such disbursements; and shall render to the Board of Directors, at its regular meeting or when the Board of Directors so requires, an account of the financial condition and operations of the Corporation; shall have such powers and perform such duties as the Board of Directors, the Chair of the Board, the Chief Executive Officer, the President or these Bylaws may, from time to time, prescribe or which otherwise are incident to the position of Chief Financial Officer. The Treasurer, if any, shall in the absence or disability of the Chief Financial Officer, perform the duties and exercise the powers of the chief financial officer, subject to the power of the board of directors. The Treasurer, if any, shall perform such other duties and have such other powers as the board of directors may, from time to time, prescribe.

Section 11. Appointed Officers. In addition to officers designated by the Board in accordance with this ARTICLE IV, the Chief Executive Officer shall have the authority to appoint other officers below the level of Board-appointed Vice President as the Chief Executive Officer may from time to time deem expedient and may designate for such officers titles that appropriately reflect their positions and responsibilities. Such appointed officers shall have such powers and shall perform such duties as may be assigned to them by the Chief Executive Officer or the senior officer to whom they report, consistent with corporate policies. An appointed officer shall serve until the earlier of such officer's resignation or such officer's removal by the Chief Executive Officer or the Board of Directors at any time, either with or without cause.

Section 12. Other Officers, Assistant Officers and Agents

. Officers, assistant officers and agents, if any, other than those whose duties are provided for in these Bylaws, shall have such authority and perform such duties as may from time to time be prescribed by resolution of the Board of Directors and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board of Directors.

Section 13. Officers' Bonds or Other Security. If required by the Board of Directors, any officer of the Corporation shall give a bond or other security for the faithful performance of his duties, in such amount and with such surety as the Board of Directors may require.

Section 14. Delegation of Authority. The Board of Directors may by resolution delegate the powers and duties of such officer to any other officer or to any director, or to any other person whom it may select.

ARTICLE V  
CERTIFICATES OF STOCK

Section 1. Form. The shares of stock of the Corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. If shares are represented by certificates, the certificates shall be in such form as required by applicable law and as determined by the Board of Directors. Each certificate shall certify the number of shares owned by such holder in the Corporation and shall be signed by, or in the name of the Corporation by two authorized officers of the Corporation including, but not limited to, the Chair of the Board (if an officer), the Chief Executive Officer, the President, a Vice President, the Chief Financial Officer, the Treasurer, the Secretary and an Assistant Secretary of the Corporation. Any or all signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed, or whose facsimile signature or signatures have been used on, any such certificate or certificates shall cease to be such officer, transfer agent or registrar of the Corporation whether because of death, resignation or otherwise before such certificate or certificates have been issued by the Corporation, such certificate or certificates may nevertheless be issued as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used thereon had not ceased to be such officer, transfer agent or registrar of the Corporation at the date of issue. All certificates for shares shall be consecutively numbered or otherwise identified. The Board of Directors may appoint a bank or trust company organized under the laws of the United States or any state thereof to act as its transfer agent or registrar, or both in

connection with the transfer of any class or series of securities of the Corporation. The Corporation, or its designated transfer agent or other agent, shall keep a book or set of books to be known as the stock transfer books of the Corporation, containing the name of each holder of record, together with such holder's address and the number and class or series of shares held by such holder and the date of issue. When shares are represented by certificates, the Corporation shall issue and deliver to each holder to whom such shares have been issued or transferred, certificates representing the shares owned by such holder, and shares of stock of the Corporation shall only be transferred on the books of the Corporation by the holder of record thereof or by such holder's attorney duly authorized in writing, upon surrender to the Corporation or its designated transfer agent or other agent of the certificate or certificates for such shares endorsed by the appropriate person or persons, with such evidence of the authenticity of such endorsement, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps. In that event, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate or certificates and record the transaction on its books. When shares are not represented by certificates, shares of stock of the Corporation shall only be transferred on the books of the Corporation by the holder of record thereof or by such holder's attorney duly authorized in writing, with such evidence of the authenticity of such transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps, and within a reasonable time after the issuance or transfer of such shares, the Corporation shall, if required by applicable law, send the holder to whom such shares have been issued or transferred a written statement of the information required by applicable law. Unless otherwise provided by applicable law, the Certificate of Incorporation, Bylaws or any other instrument, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

Section 2. Lost Certificates. The Corporation may issue or direct a new certificate or certificates or uncertificated shares to be issued in place of any certificate or certificates previously issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the owner of the lost, stolen or destroyed certificate. When authorizing such issue of a new certificate or certificates or uncertificated shares, the Corporation may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or certificates, or his or her legal representative, to give the Corporation a bond in such sum as it may direct, sufficient to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

Section 3. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock to receive dividends, to vote, to receive notifications and otherwise to exercise all the rights and powers of an owner, except as otherwise required by applicable law. The Corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise required by applicable law.

Section 4. Fixing a Record Date for Purposes Other Than Stockholder Meetings or Actions by Written Consent. In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment or any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purposes of any other lawful action (other than stockholder meetings and stockholder consents which are expressly governed by Sections 12 and 13 of ARTICLE II hereof), the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

ARTICLE VI  
GENERAL PROVISIONS

Section 1. Dividends. Subject to and in accordance with applicable law, the Certificate of Incorporation and any certificate of designation relating to any series of preferred stock, dividends upon the shares of capital stock of the Corporation may be declared and paid by the Board of Directors, in accordance with applicable law. Dividends may be paid in cash, in property or in shares of the Corporation's capital stock, subject to the provisions of applicable law and the Certificate of Incorporation. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends a reserve or reserves for any proper purpose. The Board of Directors may modify or abolish any such reserves in the manner in which they were created.

Section 2. Checks, Notes, Drafts, Etc. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

Section 3. Contracts. In addition to the powers otherwise granted to officers pursuant to ARTICLE IV hereof, the Board of Directors may authorize any officer or officers, or any agent or agents, in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

Section 4. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 5. Corporate Seal. The Board of Directors may provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise. Notwithstanding the foregoing, no seal shall be required by virtue of this Section.



Section 6. Voting Securities Owned By Corporation. Voting securities in any other corporation or entity held by the Corporation shall be voted by the Chair of the Board, Chief Executive Officer, the President or the Chief Financial Officer, unless the Board of Directors specifically confers authority to vote with respect thereto, which authority may be general or confined to specific instances, upon some other person or officer. Any person authorized to vote securities shall have the power to appoint proxies, with general power of substitution.

Section 7. Facsimile/Electronic Signatures. In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, docusign, facsimile and other forms of electronic signatures of any officer or director of the Corporation may be used to the fullest extent permitted by applicable law.

Section 8. Section Headings. Section headings in these Bylaws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

Section 9. Inconsistent Provisions. In the event that any provision (or part thereof) of these Bylaws is or becomes inconsistent with any provision of the Certificate of Incorporation, the DGCL, any other applicable law or the Nomination Agreement, the provision (or part thereof) of these Bylaws shall be construed to be consistent with such other provision or provisions, and to the extent such provision may not be so construed, such provision shall be deemed amended to incorporate such other provision so as to eliminate any such inconsistency and as so amended shall be given full force and effect.

## ARTICLE VII INDEMNIFICATION

Section 1. Right to Indemnification and Advancement. Each person who was or is made a party or is threatened to be made a party to or is otherwise involved (including involvement, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, manager, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (an "indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than permitted prior thereto), against all expense, liability and loss (including attorneys' fees and related disbursements, judgments, fines, excise taxes or penalties under the Employee Retirement Income Security Act of 1974, as amended from time to time ("ERISA") and any other penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith and such indemnification shall continue as to an indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators; provided, however, that, except as provided in this Section 2 of this ARTICLE VII with respect to proceedings to enforce rights to indemnification and advance of expenses (as defined below), the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof)

was authorized in the specific case by the Board of Directors of the Corporation. In addition to the right to indemnification conferred herein, an indemnitee shall also have the right, to the fullest extent not prohibited by law, to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition (an “advance of expenses”); provided, however, that if and to the extent that the DGCL requires, an advance of expenses shall be made only upon delivery to the Corporation of an undertaking (an “undertaking”), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (a “final adjudication”) that such indemnitee is not entitled to be indemnified for such expenses under this Section 1 or otherwise. The Corporation may also, by action of its Board of Directors, provide indemnification and advancement to employees and agents of the Corporation. Any reference to an officer of the Corporation in this ARTICLE VII shall be deemed to refer exclusively to the Chair of the Board of Directors, Chief Executive Officer, President, Secretary and Treasurer of the Corporation appointed pursuant to ARTICLE IV, and to any Vice President, Assistant Secretary, Assistant Treasurer or other officer of the Corporation appointed by the Board of Directors pursuant to ARTICLE IV of these By-laws, and any reference to an officer of any other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors or equivalent governing body of such other entity pursuant to the certificate of incorporation and bylaws or equivalent organizational documents of such other enterprise. The fact that any person who is or was an employee of the Corporation or an employee of any other enterprise has been given or has used the title of “Vice President” or any other title, including any titled granted to such person by the Chief Executive Officer pursuant to ARTICLE IV, Section 11, that could be construed to suggest or imply that such person is or may be an officer of the Corporation or of such other enterprise shall not result in such person being constituted as, or being deemed to be, an officer of the Corporation or of such other enterprise for purposes of this ARTICLE VII unless such person’s appointment to such office was approved by the Board of Directors pursuant to ARTICLE IV.

Section 2. Procedure for Indemnification. Any claim for indemnification or advance of expenses by an indemnitee under this Section 2 of ARTICLE VII shall be made promptly, and in any event within forty-five days (or, in the case of an advance of expenses, twenty days, provided that the director or officer has delivered the undertaking contemplated by Section 1 of this ARTICLE VII if required), upon the written request of the indemnitee. If the Corporation denies a written request for indemnification or advance of expenses, in whole or in part, or if payment in full pursuant to such request is not made within forty-five days (or, in the case of an advance of expenses, twenty days, provided that the indemnitee has delivered the undertaking contemplated by Section 1 of this ARTICLE VII if required), the right to indemnification or advances as granted by this ARTICLE VII shall be enforceable by the indemnitee in any court of competent jurisdiction. Such person’s costs and expenses incurred in connection with successfully establishing his or her right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation to the fullest extent permitted by applicable law. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of expenses where the undertaking required pursuant to Section 1 of this ARTICLE VII, if any, has been tendered to the Corporation) that the claimant has not met the applicable standard of conduct which make it permissible under the DGCL for the Corporation to indemnify the claimant for the amount claimed, but the burden of proof shall be on the Corporation to the fullest extent permitted by law. Neither the failure of the Corporation (including its Board of Directors, a committee thereof, independent legal counsel or its stockholders) to have made a determination prior to the

commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 3. Insurance. The Corporation may purchase and maintain insurance on its own behalf and on behalf of any person who is or was or has agreed to become a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, partner, member, trustee, administrator, employee or agent of another corporation, partnership, joint venture, limited liability company, trust or other enterprise against any expense, liability or loss asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such expenses, liability or loss under the DGCL.

Section 4. Service for Subsidiaries. Any person serving as a director, officer, partner, member, trustee, administrator, employee or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise, at least 50% of whose equity interests are owned by the Corporation (a "subsidiary," for purposes of this ARTICLE VII) shall be conclusively presumed to be serving in such capacity at the request of the Corporation.

Section 5. Reliance. Persons who after the date of the adoption of this provision become or remain directors or officers of the Corporation or who, while a director or officer of the Corporation, become or remain a director, manager, officer, employee or agent of a subsidiary, shall be conclusively presumed to have relied on the rights to indemnity, advance of expenses and other rights contained in this ARTICLE VII in entering into or continuing such service. To the fullest extent permitted by law, the rights to indemnification and to the advance of expenses conferred in this ARTICLE VII shall apply to claims made against an indemnitee arising out of acts or omissions which occurred or occur both prior and subsequent to the adoption hereof. Any amendment, alteration or repeal of this ARTICLE VII that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit, eliminate, or impair any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

Section 6. Non-Exclusivity of Rights; Continuation of Rights of Indemnification. The rights to indemnification and to the advance of expenses conferred in this ARTICLE VII shall not be exclusive of any other right which any person may have or hereafter acquire under the Certificate of Incorporation or under any statute, by-law, agreement, vote of stockholders or disinterested directors or otherwise. All rights to indemnification under this ARTICLE VII shall be deemed to be a contract between the Corporation and each director or officer of the Corporation who serves or served in such capacity at any time while this ARTICLE VII is in effect. Any repeal or modification of this ARTICLE VII or repeal or modification of relevant provisions of the DGCL or any other applicable laws shall not in any way diminish any rights to indemnification and advancement of expenses of such director or officer or the obligations of the Corporation arising hereunder with respect to any proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such repeal or modification.

Section 7. Merger or Consolidation. For purposes of this ARTICLE VII, references to the "Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this ARTICLE VII with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

Section 8. Savings Clause. To the fullest extent permitted by law, if this ARTICLE VII or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and advance expenses to each person entitled to indemnification under Section 1 of this ARTICLE VII as to all expense, liability and loss (including attorneys' fees and related disbursements, judgments, fines, ERISA excise taxes and penalties and any other penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person and for which indemnification and advancement of expenses is available to such person pursuant to this ARTICLE VII to the fullest extent permitted by any applicable portion of this ARTICLE VII that shall not have been invalidated.

ARTICLE VIII  
AMENDMENTS

These Bylaws may be amended, altered, changed or repealed or new Bylaws adopted only in accordance with Section 1 of ARTICLE TEN of the Certificate of Incorporation.

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## INTEGRAL AD SCIENCE HOLDING CORP.

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made as of [•], 2021 among Integral Ad Science Holding Corp., a Delaware corporation (the "Company"), each of the investors listed on the signature pages hereto under the caption "Sponsor Investors" (collectively, the "Sponsor Investors"), each Person listed on the signature pages under the caption "Other Investors" or who executes a Joinder as an "Other Investor" (collectively, the "Other Investors") and each of the executives listed on the signature pages under the caption "Executives" or who executes a Joinder as an "Executive" (collectively, the "Executives"). Except as otherwise specified herein, all capitalized terms used in this Agreement are defined in Exhibit A attached hereto.

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

Section 1 Demand Registrations.

(a) Requests for Registration. At any time and from time to time, the Sponsor Investors may request registration under the Securities Act of all or any portion of their Registrable Securities on Form S-1 or any similar long-form registration statement ("Long-Form Registrations") or on Form S-3 or any similar short-form registration statement ("Short-Form Registrations"), if available (any such requested registration, a "Demand Registration"). The Sponsor Investors may request that any Demand Registration be made pursuant to Rule 415 under the Securities Act (a "Shelf Registration") and (if the Company is a WKSI at the time any such request is submitted to the Company or will become one by the time of the filing of such Shelf Registration) that such Shelf Registration be an automatic shelf registration statement (as defined in Rule 405 under the Securities Act) (an "Automatic Shelf Registration Statement"). Each request for a Demand Registration must specify the approximate number or dollar value of Registrable Securities requested to be registered by the requesting Holders and (if known) the intended method of distribution. The Sponsor Investors will be entitled to request an unlimited number of Demand Registrations. The Company will pay all Registration Expenses, whether or not any such registration is consummated.

(b) Notice to Other Investors. Within four (4) Business Days after receipt of any such request, the Company will give written notice of the Demand Registration to all other Holders and, subject to the terms of Section 1(e), will include in such Demand Registration (and in all related registrations and qualifications under state blue sky laws and in any related underwriting) all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten (10) days after the receipt of the Company's notice; provided that, with the written consent of the Sponsor Investor, the Company may, or at the written request of the Sponsor Investors, the Company shall, instead provide notice of the Demand Registration to all Other Investors within three (3) Business Days following the non-confidential filing of the registration statement with respect to the Demand Registration so long as such registration statement is not an Automatic Shelf Registration Statement.

(c) Form of Registrations. All Long-Form Registrations will be underwritten registrations unless otherwise approved by the Sponsor Investor. Demand Registrations will be Short-Form Registrations whenever the Company is permitted to use any applicable short form unless otherwise requested by the Sponsor Investor.

(d) Shelf Registrations.

(i) For so long as a registration statement for a Shelf Registration (a "Shelf Registration Statement") is and remains effective, the Sponsor Investors will have the right at any time or from time to time to elect to sell pursuant to an offering (including an underwritten offering Registrable Securities available for sale pursuant to such registration statement ("Shelf Registrable Securities"). If the Sponsor Investors desire to sell Registrable Securities pursuant to an underwritten offering, then the Sponsor Investors may deliver to the Company a written notice (a "Shelf Offering Notice") specifying the number of Shelf Registrable Securities that the Sponsor Investors desire to sell pursuant to such underwritten offering (the "Shelf Offering"). As promptly as practicable, but in no event later than two (2) Business Days after receipt of a Shelf Offering Notice, the Company will give written notice of such Shelf Offering Notice to all other Holders of Shelf Registrable Securities that have been identified as selling stockholders in such Shelf Registration Statement and are otherwise permitted to sell in such Shelf Offering, which such notice shall request that each such Holder specify, within seven (7) days after the Company's receipt of the Shelf Offering Notice, the maximum number of Shelf Registrable Securities such Holder desires to be disposed of in such Shelf Offering. The Company, subject to Section 1(e) and Section 7, will include in such Shelf Offering all Shelf Registrable Securities with respect to which the Company has received timely written requests for inclusion. The Company will, as expeditiously as possible (and in any event within fourteen (14) days after the receipt of a Shelf Offering Notice), but subject to Section 1(e), use its best efforts to consummate such Shelf Offering.

(ii) If the Sponsor Investors desire to engage in an underwritten block trade or bought deal pursuant to a Shelf Registration Statement (either through filing an Automatic Shelf Registration Statement or through a take-down from an already existing Shelf Registration Statement) (each, an "Underwritten Block Trade"), then notwithstanding the time periods set forth in Section 1(d)(i), the Sponsor Investors may notify the Company of the Underwritten Block Trade not less than two (2) Business Days prior to the day such offering is first anticipated to commence. If requested by the Sponsor Investors, the Company will promptly notify other Holders of such Underwritten Block Trade and such notified Holders (each, a "Potential Participant") may elect whether or not to participate no later than the next Business Day (*i.e.* one (1) Business Day prior to the day such offering is to commence) (unless a longer period is agreed to by the Sponsor Investors), and the Company will as expeditiously as possible use its best efforts to facilitate such Underwritten Block Trade (which may close as early as two (2) Business Days after the date it commences); provided further that, notwithstanding the provisions of Section 1(d)(i), no Holder (other than Holders of Sponsor Investor Registrable Securities) will be permitted to participate in an Underwritten Block Trade without the written consent of the Sponsor Investor. Any Potential Participant's request to participate in an Underwritten Block Trade shall be binding on the Potential Participant.

(iii) All determinations as to whether to complete any Shelf Offering and as to the timing, manner, price and other terms of any Shelf Offering contemplated by this Section 1(d) shall be determined by the Sponsor Investors, and the Company shall use its best efforts to cause any Shelf Offering to occur in accordance with such determinations as promptly as practicable.

(iv) The Company will, at the request of the Sponsor Investors, file any prospectus supplement or any post-effective amendments and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by the Sponsor Investors to effect such Shelf Offering.

(e) Priority on Demand Registrations and Shelf Offerings. The Company will not include in any Demand Registration any securities which are not Registrable Securities without the prior written consent of the Sponsor Investors. If a Demand Registration or a Shelf Offering is an underwritten offering and the managing underwriters advise the Company in writing that in their opinion the number of Registrable Securities and (if permitted hereunder) other securities requested to be included in such offering exceeds the number of Registrable Securities and other securities (if any), which can be sold therein without adversely affecting the marketability, proposed offering price, timing or method of distribution of the offering, then the Company will include in such offering (prior to the inclusion of any securities which are not Registrable Securities) the number of Registrable Securities requested to be included by any Holders which, in the opinion of such underwriters, can be sold, without any such adverse effect, pro rata among such Holders on the basis of the number of Registrable Securities owned by each such Holder. Notwithstanding anything to the contrary herein, if any Holders of Executive Registrable Securities have requested to include such securities in an underwritten offering and the managing underwriters for such offering advise the Company that in their opinion the inclusion of some or all of such Executive Registrable Securities could adversely affect the marketability, proposed offering price, timing and/or method of distribution of the offering, then the Company shall exclude from such offering the number of such Executive Registrable Securities identified by the managing underwriters as having any such adverse effect prior to the exclusion of any Registrable Securities of any other Holders as set forth in this Section 1(e), which, for the avoidance of doubt, may be all such Executive Registrable Securities requested to be included such offering.

(f) Restrictions on Demand Registration and Shelf Offerings.

(i) The Company may postpone, for up to 60 days (or with the consent of the Sponsor Investors, a longer period) from the date of the request (the "Suspension Period"), the filing or the effectiveness of a registration statement for a Demand Registration or suspend the use of a prospectus that is part of a Shelf Registration Statement (and therefore suspend sales of the Shelf Registrable Securities) by providing written notice to the Holders if the following conditions are met: (A) the Company determines that the offer or sale of Registrable Securities would reasonably be expected to have a material adverse effect on any proposal or plan by the Company or any Subsidiary to engage in any material acquisition of assets or stock (other than in the ordinary course of business) or any material merger, consolidation, tender offer, recapitalization, reorganization, financing or other transaction involving the Company and (B) upon advice of counsel, the sale of Registrable Securities pursuant to the registration statement would require disclosure of material non-public information not otherwise required to be disclosed under applicable law, and either (x) the Company has a bona fide business purpose for preserving the confidentiality of such transaction, (y) disclosure would have a material adverse effect on the Company or the Company's ability to consummate such transaction, or (z) such transaction renders the Company unable to comply with SEC requirements, in each case under circumstances that would make it impractical or inadvisable to cause the registration statement (or such filings) to become effective or to promptly amend or supplement the registration statement on a post effective basis, as applicable. The Company may delay or suspend the effectiveness of a Demand Registration or Shelf Registration Statement pursuant to this Section 1(f)(i) only once in any twelve (12)-month period (for avoidance of doubt, in addition to the Company's rights and obligations under Section 4(a)(vi)) unless additional delays or suspensions are approved by the Sponsor Investors.

(ii) In the case of an event that causes the Company to suspend the use of a Shelf Registration Statement as set forth in Section 1(f)(i) above or pursuant to Section 4(a)(vi) (a “Suspension Event”), the Company will give a notice to the Holders whose Registrable Securities are registered pursuant to such Shelf Registration Statement (a “Suspension Notice”) to suspend sales of the Registrable Securities and such notice must state generally the basis for the notice and that such suspension will continue only for so long as the Suspension Event or its effect is continuing. Each Holder agrees not to effect any sales of its Registrable Securities pursuant to such Shelf Registration Statement (or such filings) at any time after it has received a Suspension Notice from the Company and prior to receipt of an End of Suspension Notice. A Holder may recommence effecting sales of the Registrable Securities pursuant to the Shelf Registration Statement (or such filings) following further written notice to such effect (an “End of Suspension Notice”) from the Company, which End of Suspension Notice will be given by the Company to the Holders promptly following the conclusion of any Suspension Event (and in any event during the permitted Suspension Period).

(g) Selection of Underwriters. The legal counsel to the Company, the investment banker(s) and manager(s) to administer any underwritten offering in connection with any Demand Registration or Shelf Offering shall be selected by the Sponsor Investors.

(h) Other Registration Rights. Except as provided in this Agreement, the Company will not grant to any Person(s) the right to request the Company or any Subsidiary to register any equity securities of the Company or any Subsidiary, or any securities convertible or exchangeable into or exercisable for such securities, without the prior written consent of the Sponsor Investors; provided that, with the prior approval of the Sponsor Investors, the Company may grant rights to employees of the Company and its Subsidiaries to participate in Piggyback Registrations so long as they sign a Joinder as an “Executive” and Holder of “Executive Registrable Securities” hereunder.

(i) Revocation of Demand Notice or Shelf Offering Notice. At any time prior to the effective date of the registration statement relating to a Demand Registration or the “pricing” of any offering relating to a Shelf Offering Notice, the Sponsor Investors who initiated such Demand Registration or Shelf Offering may revoke or withdraw such notice of a Demand Registration or Shelf Offering Notice on behalf of all Holders participating in such Demand Registration or Shelf Offering without liability to such Holders (including, for the avoidance of doubt, the other Participating Sponsor Investors), in each case by providing written notice to the Company.

(j) Confidentiality. Each Holder agrees to treat as confidential the receipt of any notice hereunder (including notice of a Demand Registration, a Shelf Offering Notice and a Suspension Notice) and the information contained therein, and not to disclose or use the information contained in any such notice (or the existence thereof) without the prior written consent of the Company until such time as the information contained therein is or becomes available to the public generally (other than as a result of disclosure by such Holder in breach of the terms of this Agreement).

#### Section 2 Piggyback Registrations.

(a) Right to Piggyback. Whenever the Company proposes to register any of its equity securities under the Securities Act (including primary and secondary registrations, and other than pursuant to an Excluded Registration) (a “Piggyback Registration”), the Company will give prompt written notice (and in any event within three (3) Business Days after the public filing of the registration statement relating to the Piggyback Registration) to all Holders of its intention to effect such Piggyback Registration and, subject to the terms of Section 2(b) and Section 2(c), will include in such Piggyback Registration (and in all related registrations or qualifications under blue sky laws and in any related underwriting) all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten (10) days after delivery of the Company’s notice. Any Participating Sponsor Investor may withdraw its request for inclusion at any time prior to executing the underwriting agreement, or if none, prior to the applicable registration statement becoming effective.



(b) Priority on Primary Registrations. If a Piggyback Registration is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability, proposed offering price, timing or method of distribution of the offering, the Company will include in such registration (i) first, the securities the Company proposes to sell, (ii) second, any Registrable Securities requested to be included in such registration by any Holder which, in the opinion of the underwriters, can be sold without any such adverse effect, pro rata among such Holders on the basis of the number of Registrable Securities owned by each such Holder, and (iii) third, other securities requested to be included in such registration which, in the opinion of the underwriters, can be sold without any such adverse effect. Notwithstanding anything to the contrary herein, if any Holders of Executive Registrable Securities have requested to include such securities in a Piggyback Registration that is an underwritten primary offering on behalf of the Company and the managing underwriters for such offering advise the Company in writing that in their opinion the inclusion of some or all of such Executive Registrable Securities could adversely affect the marketability, proposed offering price, timing and/or method of distribution of the offering, the Company shall first exclude from such offering the number (which may be all) of such Executive Registrable Securities identified by the managing underwriters as having any such adverse effect prior to the exclusion of any securities in such offering.

(c) Priority on Secondary Registrations. If a Piggyback Registration is an underwritten secondary registration on behalf of holders of the Company's equity securities (other than pursuant to Section 1 hereof), and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability, proposed offering price, timing or method of distribution of the offering, the Company will include in such registration (i) first, the securities requested to be included therein by the holders initially requesting such registration which, in the opinion of the underwriters, can be sold without any such adverse effect, (ii) second, any Registrable Securities requested to be included in such registration by any Holder, pro rata among such Holders on the basis of the number of Registrable Securities owned by each such Holder which, in the opinion of the underwriters, can be sold without any such adverse effect, and (iv) third, other securities requested to be included in such registration which, in the opinion of the underwriters, can be sold without any such adverse effect. Notwithstanding anything to the contrary herein, if any Holders of Executive Registrable Securities have requested to include such securities in a Piggyback Registration that is an underwritten secondary offering and the managing underwriters for such offering advise the Company in writing that in their opinion the inclusion of some or all of such Executive Registrable Securities could adversely affect the marketability, proposed offering price, timing or method of distribution of the offering, the Company shall be permitted to first exclude from such offering the number (which may be all) of such Executive Registrable Securities identified by the managing underwriters as having any such adverse effect prior to the exclusion of any securities in such offering.

(d) Right to Terminate Registration. The Company will have the right to terminate or withdraw any registration initiated by it under this Section 2, whether or not any holder of Registrable Securities has elected to include securities in such registration.

(e) Selection of Underwriters. If any Piggyback Registration is an underwritten offering, the legal counsel for the Company, the investment banker(s) and manager(s) for the offering shall be selected by the Sponsor Investors.

### Section 3 Stockholder Lock-Up Agreements and Company Holdback Agreement.

(a) Stockholder Lock-up Agreements. In connection with any underwritten Public Offering, each Holder will enter into any lock-up, holdback or similar agreements requested by the underwriter(s) managing such offering, in each case with such modifications and exceptions as may be approved by the Sponsor Investors. Without limiting the generality of the foregoing, each Holder hereby agrees that in connection with the initial Public Offering and in connection with any Demand Registration, Shelf Offering or Piggyback Registration that is an underwritten Public Offering, not to (i) offer, sell, contract to sell, pledge or otherwise dispose of (including sales pursuant to Rule 144), directly or indirectly, any equity securities of the Company (including equity securities of the Company that may be deemed to be beneficially owned by such Holder in accordance with the rules and regulations of the SEC) (collectively, "Securities"), or any securities, options or rights convertible into or exchangeable or exercisable for Securities (collectively, "Other Securities"), (ii) enter into a transaction which would have the same effect as described in clause (i) above, (iii) enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences or ownership of any Securities or Other Securities, whether such transaction is to be settled by delivery of such Securities or Other Securities, in cash or otherwise (each of (i), (ii) and (iii) above, a "Sale Transaction"), or (iv) publicly disclose the intention to enter into any Sale Transaction, commencing on the date on which the Company gives notice to the Holders that a preliminary prospectus has been circulated for such underwritten Public Offering or the "pricing" of such offering and continuing to the date that is (x) 180 days following the date of the final prospectus for such underwritten Public Offering in the case of the initial Public Offering or (y) 90 days following the date of the final prospectus in the case of any other such underwritten Public Offering (each such period, or such shorter period as agreed to by the managing underwriters, a "Holdback Period"), in each case with such modifications and exceptions as may be approved by the Sponsor Investors. The Company may impose stop-transfer instructions with respect to any Securities or Other Securities subject to the restrictions set forth in this Section 3(a) until the end of such Holdback Period.

(b) Company Holdback Agreement. The Company (i) will not file any registration statement for a Public Offering or cause any such registration statement to become effective, or effect any public sale or distribution of its Securities or Other Securities during any Holdback Period (other than as part of such underwritten Public Offering, or a registration on Form S-4 or Form S-8 or any successor or similar form which is (x) then in effect or (y) shall become effective upon the conversion, exchange or exercise of any then outstanding Other Securities) and (ii) will cause each holder of Securities and Other Securities (including each of its directors and executive officers) to agree not to effect any Sale Transaction during any Holdback Period, except as part of such underwritten registration (if otherwise permitted), unless approved in writing by the Sponsor Investors and the underwriters managing the Public Offering and to enter into any lock-up, holdback or similar agreements requested by the underwriter(s) managing such offering, in each case with such modifications and exceptions as may be approved by the Sponsor Investors.

### Section 4 Registration Procedures.

(a) Company Obligations. Whenever the Holders have requested that any Registrable Securities be registered pursuant to this Agreement or have initiated a Shelf Offering, the Company will use its best efforts to effect the registration and the sale of such Registrable Securities in accordance with the intended method of disposition thereof, and pursuant thereto the Company will as expeditiously as possible:

(i) prepare and file with (or submit confidentially to) the SEC a registration statement, and all amendments and supplements thereto and related prospectuses, with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective, all in accordance with the Securities Act and all applicable rules and regulations promulgated thereunder (provided that before filing or confidentially submitting a registration statement or prospectus or any amendments or supplements thereto, the Company will furnish to the counsel selected by the Sponsor Investors covered by such registration statement copies of all such documents proposed to be filed or submitted, which documents will be subject to the review and comment of such counsel);

(ii) notify each Holder of (A) the issuance by the SEC of any stop order suspending the effectiveness of any registration statement or the initiation of any proceedings for that purpose, (B) the receipt by the Company or its counsel of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, and (C) the effectiveness of each registration statement filed hereunder;

(iii) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period ending when all of the securities covered by such registration statement have been disposed of in accordance with the intended methods of distribution by the sellers thereof set forth in such registration statement (but not in any event before the expiration of any longer period required under the Securities Act or, if such registration statement relates to an underwritten Public Offering, such longer period as in the opinion of counsel for the underwriters a prospectus is required by law to be delivered in connection with sale of Registrable Securities by an underwriter or dealer) and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

(iv) furnish, without charge, to each seller of Registrable Securities thereunder and each underwriter, if any, such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus) (in each case including all exhibits and documents incorporated by reference therein), each amendment and supplement thereto, each Free Writing Prospectus and such other documents as such seller or underwriter, if any, may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller (the Company hereby consenting to the use in accordance with all applicable laws of each such registration statement, each such amendment and supplement thereto, and each such prospectus (or preliminary prospectus or supplement thereto) or Free Writing Prospectus by each such seller of Registrable Securities and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such registration statement or prospectus);

(v) use its best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Company will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph or (B) consent to general service of process in any such jurisdiction or (C) subject itself to taxation in any such jurisdiction);

(vi) notify in writing each seller of such Registrable Securities (A) promptly after it receives notice thereof, of the date and time when such registration statement and each post-effective amendment thereto has become effective or a prospectus or supplement to any prospectus relating to a registration statement has been filed and when any registration or qualification has become effective under a state securities or blue sky law or any exemption thereunder has been obtained, (B) promptly after receipt thereof, of any request by the SEC for the amendment or supplementing of such registration statement or prospectus or for additional information, and (C) at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event or of any information or circumstances as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading, and, subject to Section 1(f), if required by applicable law or to the extent requested by the Sponsor Investor, the Company will use its best efforts to promptly prepare and file a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading and (D) if at any time the representations and warranties of the Company in any underwriting agreement, securities sale agreement, or other similar agreement, relating to the offering shall cease to be true and correct;

(vii) (A) use best efforts to cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed and, if not so listed, to be listed on a securities exchange and, without limiting the generality of the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with FINRA, and (B) comply (and continue to comply) with the requirements of any self-regulatory organization applicable to the Company, including without limitation all corporate governance requirements;

(viii) use best efforts to provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

(ix) enter into and perform such customary agreements (including, as applicable, underwriting agreements in customary form) and take all such other actions as the Sponsor Investors or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including, without limitation, making available the executive officers of the Company and participating in "road shows," investor presentations, marketing events and other selling efforts and effecting a stock or unit split or combination, recapitalization or reorganization);

(x) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition or sale pursuant to such registration statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate and business documents and properties of the Company as will be necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors, employees, agents, representatives and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement and the disposition of such Registrable Securities pursuant thereto;

(xi) take all actions to ensure that any Free-Writing Prospectus utilized in connection with any Demand Registration or Piggyback Registration or Shelf Offering hereunder complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, prospectus supplement and related documents, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(xii) otherwise use its best efforts to comply with all applicable rules and regulations of the SEC, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve (12) months beginning with the first day of the Company's first full calendar quarter after the effective date of the registration statement, which earnings statement will satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(xiii) permit any Holder which, in its sole and exclusive judgment, might be deemed to be an underwriter or a controlling person of the Company, to participate in the preparation of such registration or comparable statement and to allow such Holder to provide language for insertion therein, in form and substance satisfactory to the Company, which in the reasonable judgment of such Holder and its counsel should be included;

(xiv) use best efforts to (A) make Short-Form Registration available for the sale of Registrable Securities and (B) prevent the issuance of any stop order suspending the effectiveness of a registration statement, or the issuance of any order suspending or preventing the use of any related prospectus or suspending the qualification of any Common Equity included in such registration statement for sale in any jurisdiction use, and in the event any such order is issued, best efforts to obtain promptly the withdrawal of such order;

(xv) use its reasonable best efforts to cause such Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the sellers thereof to consummate the disposition of such Registrable Securities;

(xvi) cooperate with the Holders covered by the registration statement and the managing underwriter or agent, if any, to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing securities to be sold under the registration statement, or the removal of any restrictive legends associated with any account at which such securities are held, and enable such securities to be in such denominations and registered in such names as the managing underwriter, or agent, if any, or such Holders may request;

(xvii) if requested by any managing underwriter, include in any prospectus or prospectus supplement updated financial or business information for the Company's most recent period or current quarterly period (including estimated results or ranges of results) if required for purposes of marketing the offering in the view of the managing underwriter;

(xviii) take no direct or indirect action prohibited by Regulation M under the Exchange Act; provided, however, that to the extent that any prohibition is applicable to the Company, the Company will take such action as is necessary to make any such prohibition inapplicable;

(xix) cooperate with each Holder covered by the registration statement and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel in connection with the preparation and filing of applications, notices, registrations and responses to requests for additional information with FINRA, the New York Stock Exchange, Nasdaq or any other national securities exchange on which the shares of Common Equity are or are to be listed, and (B) to the extent required by the rules and regulations of FINRA, retain a Qualified Independent Underwriter acceptable to the managing underwriter;

(xx) in the case of any underwritten offering, use its best efforts to obtain, and deliver to the underwriter(s), in the manner and to the extent provided for in the applicable underwriting agreement, one or more cold comfort letters from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters;

(xxi) use its best efforts to provide (A) a legal opinion of the Company's outside counsel, dated the effective date of such registration statement addressed to the Company, (B) on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a Demand Registration or Shelf Offering, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the closing date of the applicable sale, (1) one or more legal opinions of the Company's outside counsel, dated such date, in form and substance as customarily given to underwriters in an underwritten public offering or, in the case of a non-underwritten offering, to the broker, placement agent or other agent of the Holders assisting in the sale of the Registrable Securities and (2) one or more "negative assurances letters" of the Company's outside counsel, dated such date, in form and substance as is customarily given to underwriters in an underwritten public offering or, in the case of a non-underwritten offering, to the broker, placement agent or other agent of the Holders assisting in the sale of the Registrable Securities, in each case, addressed to the underwriters, if any, or, if requested, in the case of a non-underwritten offering, to the broker, placement agent or other agent of the Holders assisting in the sale of the Registrable Securities and (3) customary certificates executed by authorized officers of the Company as may be requested by any Holder or any underwriter of such Registrable Securities;

(xxii) if the Company files an Automatic Shelf Registration Statement covering any Registrable Securities, use its best efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)) during the period during which such Automatic Shelf Registration Statement is required to remain effective;

(xxiii) if the Company does not pay the filing fee covering the Registrable Securities at the time an Automatic Shelf Registration Statement is filed, pay such fee at such time or times as the Registrable Securities are to be sold;

(xxiv) if the Automatic Shelf Registration Statement has been outstanding for at least three (3) years, at the end of the third year, refile a new Automatic Shelf Registration Statement covering the Registrable Securities, and, if at any time when the Company is required to re-evaluate its WKSI status the Company determines that it is not a WKSI, use its best efforts to refile the Shelf Registration Statement on Form S-3 and, if such form is not available, Form S-1 and keep such registration statement effective during the period during which such registration statement is required to be kept effective; and

(xxv) if requested by any Participating Sponsor Investor, cooperate with such Participating Sponsor Investor and with the managing underwriter or agent, if any, on reasonable notice to facilitate any Charitable Gifting Event and to prepare and file with the SEC such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith as may be necessary to permit any such recipient Charitable Organization to sell in the underwritten offering if it so elects.

(b) Officer Obligations. Each Holder that is an officer of the Company agrees that if and for so long as he or she is employed by the Company or any Subsidiary thereof, he or she will participate fully in the sale process in a manner customary for persons in like positions and consistent with his or her other duties with the Company, including the preparation of the registration statement and the preparation and presentation of any road shows.

(c) Automatic Shelf Registration Statements. If the Company files any Automatic Shelf Registration Statement for the benefit of the holders of any of its securities other than the Holders, and the Sponsor Investors do not request that their Registrable Securities be included in such Shelf Registration Statement, the Company agrees that, at the request of the Sponsor Investors, it will include in such Automatic Shelf Registration Statement such disclosures as may be required by Rule 430B in order to ensure that the Sponsor Investors may be added to such Shelf Registration Statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment. If the Company has filed any Automatic Shelf Registration Statement for the benefit of the holders of any of its securities other than the Holders, the Company shall, at the request of the Sponsor Investors, file any post-effective amendments necessary to include therein all disclosure and language necessary to ensure that the holders of Registrable Securities may be added to such Shelf Registration Statement.

(d) Additional Information. The Company may require each seller of Registrable Securities as to which any registration is being effected to furnish the Company such information regarding such seller and the distribution of such securities as the Company may from time to time reasonably request in writing, as a condition to such seller's participation in such registration.

(e) In-Kind Distributions. If any Sponsor Investor (and/or any of their Affiliates) seeks to effectuate an in-kind distribution of all or part of their Registrable Securities to their respective direct or indirect equityholders, the Company will, subject to any applicable lock-ups, work with the foregoing Persons to facilitate such in-kind distribution in the manner reasonably requested and consistent with the Company's obligations under the Securities Act.

(f) Suspended Distributions. Each Person participating in a registration hereunder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 4(a)(vi), such Person will immediately discontinue the disposition of its Registrable Securities pursuant to the registration statement until such Person's receipt of the copies of a supplemented or amended prospectus as contemplated by Section 4(a)(vi), subject to the Company's compliance with its obligations under Section 4(a)(vi).

(g) Other. To the extent that any of the Participating Sponsor Investors is or may be deemed to be an "underwriter" of Registrable Securities pursuant to any SEC comments or policies, the Company agrees that (i) the indemnification and contribution provisions contained in Section 6 shall be applicable to the benefit of such Participating Sponsor Investor in their role as an underwriter or deemed underwriter in addition to their capacity as a holder and (ii) such Participating Sponsor Investor shall be entitled to conduct the due diligence which they would normally conduct in connection with an offering of securities registered under the Securities Act, including without limitation receipt of customary opinions and comfort letters addressed to such Participating Sponsor Investor.

## Section 5 Registration Expenses.

Except as expressly provided herein, all out-of-pocket expenses incurred by the Company or any Sponsor Investor in connection with the performance of or compliance with this Agreement and/or in connection with any Demand Registration, Piggyback Registration or Shelf Offering, whether or not the same shall become effective, shall be paid by the Company, including, without limitation: (i) all registration and filing fees, and any other fees and expenses associated with filings required to be made with the SEC or FINRA, (ii) all fees and expenses in connection with compliance with any securities or “blue sky” laws, (iii) all printing, duplicating, word processing, messenger, telephone, facsimile and delivery expenses (including expenses of printing certificates for the Registrable Securities in a form eligible for deposit with The Depository Trust Company or other depository and of printing prospectuses and Company Free Writing Prospectuses), (iv) all fees and disbursements of counsel for the Company and of all independent certified public accountants of the Company (including the expenses of any special audit and cold comfort letters required by or incident to such performance), (v) Securities Act liability insurance or similar insurance if the Company so desires or the underwriters so require in accordance with then-customary underwriting practice, (vi) all fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange on which similar securities of the Company are then listed (or on which exchange the Registrable Securities are proposed to be listed in the case of the initial Public Offering), (vii) all applicable rating agency fees with respect to the Registrable Securities, (viii) all fees and disbursements of legal counsel for the Company, (ix) all fees and disbursements of one legal counsel for selling Holders selected by the Sponsor Investors together with any necessary local counsel as may be required by the Sponsor Investors, (xi) any fees and disbursements of underwriters customarily paid by issuers or sellers of securities, (xii) all fees and expenses of any special experts or other Persons retained by the Company or the Sponsor Investors in connection with any Registration (xiii) all of the Company’s internal expenses (including all salaries and expenses of its officers and employees performing legal or accounting duties) and (xiv) all expenses related to the “road-show” for any underwritten offering, including all travel, meals and lodging. All such expenses are referred to herein as “Registration Expenses.” The Company shall not be required to pay, and each Person that sells securities pursuant to a Demand Registration, Shelf Offering or Piggyback Registration hereunder will bear and pay, all underwriting discounts and commissions applicable to the Registrable Securities sold for such Person’s account and all transfer taxes (if any) attributable to the sale of Registrable Securities.

## Section 6 Indemnification and Contribution.

(a) By the Company. The Company will indemnify and hold harmless, to the fullest extent permitted by law and without limitation as to time, each Holder, such Holder’s officers, directors employees, agents, fiduciaries, stockholders, managers, partners, members, affiliates, direct and indirect equityholders, consultants and representatives, and any successors and assigns thereof, and each Person who controls such holder (within the meaning of the Securities Act) (the “Indemnified Parties”) against all losses, claims, actions, damages, liabilities and expenses (including with respect to actions or proceedings, whether commenced or threatened, and including reasonable attorney fees and expenses) (collectively, “Losses”) caused by, resulting from, arising out of, based upon or related to any of the following (each, a “Violation”) by the Company: (i) any untrue or alleged untrue statement of material fact contained in (A) any registration statement, prospectus, preliminary prospectus or Free-Writing Prospectus, or any amendment thereof or supplement thereto or (B) any application or other document or communication (in this Section 6, collectively called an “application”) executed by or on behalf of the Company or based upon written information furnished by or on behalf of the Company filed in any jurisdiction in order to qualify any securities covered by such registration under the “blue sky” or securities laws thereof, (ii) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading or (iii) any violation or alleged violation by the Company of the Securities Act or any other similar federal or state securities laws or any rule or regulation promulgated thereunder applicable to the Company and relating to action or inaction required of the Company in connection with any such registration, qualification or compliance. In addition, the Company will reimburse such Indemnified Party for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such Losses. Notwithstanding the foregoing, the Company will not be liable in any such case to the extent that any such Losses result from, arise out of, are based upon, or relate to an untrue statement, or omission, made in such registration statement, any such prospectus, preliminary prospectus



or Free-Writing Prospectus or any amendment or supplement thereto, or in any application, in reliance upon, and in conformity with, written information prepared and furnished in writing to the Company by such Indemnified Party expressly for use therein or by such Indemnified Party's failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such Indemnified Party with a sufficient number of copies of the same. In connection with an underwritten offering, the Company will indemnify such underwriters, their officers and directors, and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the Indemnified Parties or as otherwise agreed to in the underwriting agreement executed in connection with such underwritten offering. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Party and shall survive the transfer of such securities by such seller.

(b) By Holders. In connection with any registration statement in which a Holder is participating, each such Holder will furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, will indemnify the Company, its officers, directors, employees, agents and representatives, and each Person who controls the Company (within the meaning of the Securities Act) against any Losses resulting from (as determined by a final and appealable judgment, order or decree of a court of competent jurisdiction) any untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such Holder expressly for use therein; provided that the obligation to indemnify will be individual, not joint and several, for each Holder and will be limited to the net amount of proceeds received by such Holder from the sale of Registrable Securities pursuant to such registration statement.

(c) Claim Procedure. Any Person entitled to indemnification hereunder will (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice will impair any Person's right to indemnification hereunder only to the extent such failure has prejudiced the indemnifying party) and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld, conditioned or delayed). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. In such instance, the conflicted indemnified parties will have a right to retain one separate counsel, chosen by the majority of the conflicted indemnified parties involved in the indemnification and approved by the Sponsor Investor, at the expense of the indemnifying party.

(d) Contribution. If the indemnification provided for in this Section 6 is held by a court of competent jurisdiction to be unavailable to, or is insufficient to hold harmless, an indemnified party or is otherwise unenforceable with respect to any Loss referred to herein, then such indemnifying party will contribute to the amounts paid or payable by such indemnified party as a result of such Loss, (i) in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such Loss as well as any other relevant equitable considerations or (ii) if the allocation provided by clause (i) of this Section 6(d) is not permitted by applicable law, then in such proportion as is appropriate to reflect not

only such relative fault but also the relative benefit of the Company on the one hand and of the sellers of Registrable Securities and any other sellers participating in the registration statement on the other in connection with the statement or omissions which resulted in such Losses, as well as any other relevant equitable considerations; provided that the maximum amount of liability in respect of such contribution will be limited, in the case of each seller of Registrable Securities, to an amount equal to the net proceeds actually received by such seller from the sale of Registrable Securities effected pursuant to such registration. The relative fault of the indemnifying party and of the indemnified party will be determined by reference to, among other things, whether the untrue (or, as applicable alleged) untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just or equitable if the contribution pursuant to this Section 6(d) were to be determined by pro rata allocation or by any other method of allocation that does not take into account such equitable considerations. The amount paid or payable by an indemnified party as a result of the Losses referred to herein will be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending against any action or claim which is the subject hereof. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who is not guilty of such fraudulent misrepresentation.

(e) Release. No indemnifying party will, except with the consent of the indemnified party, consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

(f) Non-exclusive Remedy; Survival. The indemnification and contribution provided for under this Agreement will be in addition to any other rights to indemnification or contribution that any indemnified party may have pursuant to law or contract (and the Company and its Subsidiaries shall be considered the indemnitors of first resort in all such circumstances to which this Section 6 applies) and will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and will survive the transfer of Registrable Securities and the termination or expiration of this Agreement.

Section 7 Cooperation with Underwritten Offerings. No Person may participate in any underwritten registration hereunder unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements (including, without limitation, pursuant to the terms of any over-allotment or "green shoe" option requested by the underwriters; provided that no Holder will be required to sell more than the number of Registrable Securities such Holder has requested to include in such registration) and (ii) completes, executes and delivers all questionnaires, powers of attorney, stock powers, custody agreements, indemnities, underwriting agreements and other documents and agreements required under the terms of such underwriting arrangements or as may be reasonably requested by the Company and the lead managing underwriter(s). To the extent that any such agreement is entered into pursuant to, and consistent with, Section 3, Section 4 and/or this Section 7, the respective rights and obligations created under such agreement will supersede the respective rights and obligations of the Holders, the Company and the underwriters created thereby with respect to such registration.

#### Section 8 Subsidiary Public Offering.

(a) Subsidiary Public Offering. If, after an initial Public Offering of the common equity securities of one of its Subsidiaries, the Company distributes securities of such Subsidiary to its equityholders, then the rights and obligations of the Company pursuant to this Agreement will apply, *mutatis mutandis*, to such Subsidiary, and the Company will cause such Subsidiary to comply with such Subsidiary's obligations under this Agreement as if it were the Company hereunder.

Section 9 Joinder; Additional Parties; Transfer of Registrable Securities.

(a) Joinder. The Company may from time to time (with the prior written consent of the Sponsor Investors) permit any Person who acquires Common Equity (or rights to acquire Common Equity) to become a party to this Agreement and to be entitled to and be bound by all of the rights and obligations as a Holder by obtaining an executed joinder to this Agreement from such Person in the form of Exhibit B attached hereto (a "Joinder"). Upon the execution and delivery of a Joinder by such Person, the Common Equity held by such Person shall become the category of Registrable Securities (i.e. Sponsor Investor, Executive or Other Investor Registrable Securities), and such Person shall be deemed the category of Holder (i.e. Sponsor Investor, Executive or Other Investor), in each case as set forth on the signature page to such Joinder.

(b) Restrictions on Transfers. Prior to transferring any Registrable Securities to any Person (including, without limitation, by operation of law), the transferring Holder must first obtain the prior written consent of the Sponsor Investor, and if so obtained, cause the prospective transferee to execute and deliver to the Company a Joinder, except that such consent and Joinder shall not be required in the case of (i) a transfer to the Company, (ii) a transfer by any Sponsor Investor to its partners or members, (iii) a Public Offering, (iv) a sale pursuant to Rule 144 after the completion of the initial Public Offering and/or (v) a transfer in connection with a Sale of the Company. Any transfer or attempted transfer of Registrable Securities in violation of any provision of this Agreement will be void, and the Company will not record such transfer on its books or treat any purported transferee of such Registrable Securities as the owner thereof for any purpose (but the Company will be entitled to enforce against such Person the obligations hereunder).

(c) Legend. Each certificate (if any) evidencing any Registrable Securities and each certificate issued in exchange for or upon the transfer of any Registrable Securities (unless such Registrable Securities would no longer be Registrable Securities after such transfer) will be stamped or otherwise imprinted with a legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS SET FORTH IN A REGISTRATION RIGHTS AGREEMENT DATED AS OF \_\_\_\_\_, 20\_\_ AMONG THE ISSUER OF SUCH SECURITIES (THE "COMPANY") AND CERTAIN OF THE COMPANY'S EQUITYHOLDERS, AS AMENDED. A COPY OF SUCH AGREEMENT WILL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST."

The Company will imprint such legend on certificates evidencing Registrable Securities outstanding prior to the date hereof. The legend set forth above will be removed from the certificates evidencing any securities that have ceased to be Registrable Securities.

Section 10 General Provisions.

(a) Amendments and Waivers. Except as otherwise provided herein, the provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and the Sponsor Investors; provided that no such amendment, modification or waiver that would treat a specific Holder or group of Holders of Registrable Securities (i.e., Executives or Other Investors) in a manner materially and adversely different than any other Holder or group of Holders will be effective against such Holder or group of Holders without the consent of the holders of a majority of the Registrable Securities that are held by the group of Holders that is materially and adversely affected thereby. The failure or delay of any Person to enforce any of the provisions of this Agreement will in no way be construed as a waiver of such provisions and will not affect the right of such Person thereafter to enforce each and every provision of this Agreement in accordance with its terms. A waiver or consent to or of any breach or default by any Person in the performance by that Person of his, her or its obligations under this Agreement will not be deemed to be a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person under this Agreement.

(b) Remedies. The parties to this Agreement will be entitled to enforce their rights under this Agreement specifically (without posting a bond or other security), to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor. The parties hereto agree and acknowledge that a breach of this Agreement would cause irreparable harm and money damages would not be an adequate remedy for any such breach and that, in addition to any other rights and remedies existing hereunder, any party will be entitled to specific performance and/or other injunctive relief from any court of law or equity of competent jurisdiction (without posting any bond or other security) in order to enforce or prevent violation of the provisions of this Agreement.

(c) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited, invalid, illegal or unenforceable in any respect under any applicable law or regulation in any jurisdiction, such prohibition, invalidity, illegality or unenforceability will not affect the validity, legality or enforceability of any other provision of this Agreement in such jurisdiction or in any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such prohibited, invalid, illegal or unenforceable provision had never been contained herein.

(d) Entire Agreement. Except as otherwise provided herein, this Agreement contains the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties hereto, written or oral, which may have related to the subject matter hereof in any way.

(e) Successors and Assigns. Except as otherwise provided herein, this Agreement will bind and inure to the benefit and be enforceable by the Company and its successors and permitted assigns and the Holders and their respective successors and permitted assigns (whether so expressed or not).

(f) Notices. Any notice, demand or other communication to be given under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given (i) when delivered personally to the recipient, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient; but if not, then on the next Business Day, (iii) one Business Day after it is sent to the recipient by reputable overnight courier service (charges prepaid) or (iv) three Business Days after it is mailed to the recipient by first class mail, return receipt requested. Such notices, demands and other communications will be sent to the Company at the address specified on the signature page hereto or any Joinder and to any holder, or at such address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party. Any party may change such party's address for receipt of notice by giving prior written notice of the change to the sending party as provided herein.

The Company's address is:

Integral Ad Science Holding Corp.

95 Morton St, FL 8

New York, NY 10014

Attention: Micah Nesson, General Counsel

Email: \*\*\*\*\*

With a copy to:

Kirkland & Ellis LLP

300 North LaSalle Street

Chicago, IL 60654

Attention: Robert Hayward, P.C.

Robert Goedert, P.C.

Email: \*\*\*\*\*

or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

(g) Business Days. If any time period for giving notice or taking action hereunder expires on a day that is not a Business Day, the time period will automatically be extended to the Business Day immediately following such Saturday, Sunday or legal holiday.

(h) Governing Law. The corporate law of the State of Delaware will govern all issues and questions concerning the relative rights of the Company and its equityholders. All other issues and questions concerning the construction, validity, interpretation and enforcement of this Agreement and the exhibits and schedules hereto will be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. In furtherance of the foregoing, the internal law of the State of Delaware will control the interpretation and construction of this Agreement (and all schedules and exhibits hereto), even though under that jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply.

(i) MUTUAL WAIVER OF JURY TRIAL. AS A SPECIFICALLY BARGAINED FOR INDUCEMENT FOR EACH OF THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT (AFTER HAVING THE OPPORTUNITY TO CONSULT WITH COUNSEL), EACH PARTY HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY LAWSUIT OR PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE MATTERS CONTEMPLATED HEREBY.

(j) CONSENT TO JURISDICTION AND SERVICE OF PROCESS. EACH OF THE PARTIES IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY. EACH OF THE PARTIES HERETO FURTHER AGREES THAT SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY U.S. REGISTERED MAIL TO SUCH PARTY'S RESPECTIVE ADDRESS SET FORTH ABOVE WILL BE EFFECTIVE SERVICE OF PROCESS FOR ANY ACTION, SUIT OR PROCEEDING WITH RESPECT TO ANY MATTERS TO WHICH IT HAS SUBMITTED TO JURISDICTION IN THIS PARAGRAPH. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION,

SUIT OR PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, AND HEREBY AND THEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(k) No Recourse. Notwithstanding anything to the contrary in this Agreement, the Company and each Holder agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement, will be had against any current or future director, officer, employee, general or limited partner or member of any Holder or any Affiliate or assignee thereof, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever will attach to, be imposed on or otherwise be incurred by any current or future officer, agent or employee of any Holder or any current or future member of any Holder or any current or future director, officer, employee, partner or member of any Holder or of any Affiliate or assignee thereof, as such for any obligation of any Holder under this Agreement or any documents or instruments delivered in connection with this Agreement for any claim based on, in respect of or by reason of such obligations or their creation.

(l) Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement. The use of the word "including" in this Agreement will be by way of example rather than by limitation.

(m) No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party.

(n) Counterparts. This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one party, but all such counterparts taken together will constitute one and the same agreement.

(o) Electronic Delivery. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent executed and delivered by means of a photographic, photostatic, facsimile or similar reproduction of such signed writing using a facsimile machine or electronic mail will be treated in all manner and respects as an original agreement or instrument and will 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 or to any such agreement or instrument, each other party hereto or thereto will re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument will raise the use of a facsimile machine or electronic mail to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or electronic mail as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

(p) Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each Holder agrees to execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement and the transactions contemplated hereby.

(q) Dividends, Recapitalizations, Etc. If at any time or from time to time there is any change in the capital structure of the Company by way of a stock split, stock dividend, combination or reclassification, or through a merger, consolidation, reorganization or recapitalization, or by any other means, appropriate adjustment will be made in the provisions hereof so that the rights and privileges granted hereby will continue.

(r) No Third-Party Beneficiaries. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any Person not a party hereto, and no such other Person shall have any right or cause of action hereunder, except as otherwise expressly provided herein.

(s) Current Public Information. At all times after the Company has filed a registration statement with the SEC pursuant to the requirements of either the Securities Act or the Exchange Act, the Company will file all reports required to be filed by it under the Securities Act and the Exchange Act and will take such further action as the Sponsor Investors may reasonably request, all to the extent required to enable such Holders to sell Registrable Securities pursuant to Rule 144.

\* \* \* \* \*

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

**INTEGRAL AD SCIENCE HOLDING CORP.**

By: \_\_\_\_\_  
Name: Joseph Pergola  
Its: Chief Financial Officer

*[Signature Page to Registration Rights Agreement]*



**SPONSOR INVESTORS:**

**VISTA EQUITY PARTNERS FUND VI, L.P.**

By: VISTA EQUITY PARTNERS FUND VI GP, L.P.  
Its: General Partner

By: VEPF VI GP, Ltd.  
Its: General Partner

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

**VISTA EQUITY PARTNERS FUND VI-A, L.P.**

By: VISTA EQUITY PARTNERS FUND VI GP, L.P.  
Its: General Partner

By: VEPF VI GP, Ltd.  
Its: General Partner

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

**VEPF VI FAF, L.P.**

By: VISTA EQUITY PARTNERS FUND VI GP, L.P.  
Its: General Partner

By: VEPF VI GP, Ltd.  
Its: General Partner

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

**VISTA EQUITY PARTNERS FUND VI GP, L.P.**

By: VEPF VI GP, Ltd.  
Its: General Partner

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

**VEPF VI GP, Ltd.**

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

*[Signature Page to Registration Rights Agreement]*

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**VEP GROUP, LLC**

By: \_\_\_\_\_

Name: Robert F. Smith

Its: Managing Member

*[Signature Page to Registration Rights Agreement]*

**OTHER INVESTORS:**

**ATLAS VENTURE FUND VIII, L.P.**

By: Atlas Venture Associates VIII, L.P.  
Its: General Partner

By: Atlas Venture Associates VIII, Inc.  
Its: General Partner

By: \_\_\_\_\_  
Name:  
Title:

**AUGUST CAPITAL VI SPECIAL OPPORTUNITIES,  
L.P**

By: August Capital Management VI, L.L.C.  
Its: General Partner

By: \_\_\_\_\_  
Name:  
Title:

**SAPPHIRE SAP HANA FUND OF FUNDS, L.P.**

By: Sapphire SAP HANA Fund of Funds (GPE), L.L.C.  
Its general partner

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

*[Signature Page to Registration Rights Agreement]*

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**SAPPHIRE VENTURES FUND II, L.P.**

By: Sapphire Ventures Partners (GPE) II, L.L.C.  
Its general partner

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

*[Signature Page to Registration Rights Agreement]*

## DEFINITIONS

“Affiliate” of any Person means any other Person controlled by, controlling or under common control with such Person and, in the case of an individual, also includes any member of such individual’s Family Group; provided that the Company and its Subsidiaries will not be deemed to be Affiliates of any holder of Registrable Securities. As used in this definition, “control” (including, with its correlative meanings, “controlling,” “controlled by” and “under common control with”) will mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities, by contract or otherwise).

“Agreement” has the meaning set forth in the recitals.

“Automatic Shelf Registration Statement” has the meaning set forth in Section 1(a).

“Business Day” means a day that is not a Saturday or Sunday or a day on which banks in New York City are authorized or requested by law to close.

“Charitable Gifting Event” means any transfer by an Sponsor Investor, or any subsequent transfer by such holder’s members, partners or other employees, in connection with a bona fide gift to any Charitable Organization on the date of, but prior to, the execution of the underwriting agreement entered into in connection with any underwritten offering.

“Charitable Organization” means a charitable organization as described by Section 501(c)(3) of the Internal Revenue Code of 1986, as in effect from time to time.

“Common Equity” means the Company’s common stock, par value \$0.001 per share. In the event of a Corporate Conversion, Common Equity will thereafter mean the common stock issued upon conversion or in exchange for the Company’s Common Equity.

“Company” has the meaning set forth in the preamble and shall include its successor(s).

“Demand Registrations” has the meaning set forth in Section 1(a).

“End of Suspension Notice” has the meaning set forth in Section 1(f)(ii).

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, or any successor federal law then in force, together with all rules and regulations promulgated thereunder.

“Excluded Registration” means any registration (i) pursuant to a Demand Registration (which is addressed in Section 1(a)), or (ii) in connection with registrations on Form S-4 or S-8 promulgated by the SEC or any successor or similar forms).

“Executives” has the meaning set forth in the recitals.

“Executive Registrable Securities” means any Common Equity held by the management employees of the Company who are listed as “Executives” on the signature page hereto or to a Joinder.

“Family Group” means with respect to any individual, such individual’s current or former spouse, their respective parents, descendants of such parents (whether natural or adopted) and the spouses of such descendants, any trust, limited partnership, corporation or limited liability company established solely for the benefit of such individual or such individual’s current or former spouse, their respective parents, descendants of such parents (whether natural or adopted) or the spouses of such descendants.

“FINRA” means the Financial Industry Regulatory Authority.

“Free Writing Prospectus” means a free-writing prospectus, as defined in Rule 405.

“Holdback Period” has the meaning set forth in Section 3(a).

“Holder” means a holder of Registrable Securities who is a party to this Agreement (including by way of Joinder).

“Indemnified Parties” has the meaning set forth in Section 6(a).

“Joinder” has the meaning set forth in Section 9(a).

“Long-Form Registrations” has the meaning set forth in Section 1(a).

“Losses” has the meaning set forth in Section 6(c).

“Other Investors” has the meaning set forth in the recitals.

“Other Registrable Securities” means (i) any Common Equity held (directly or indirectly) by any Other Investors or any of their Affiliates, and (ii) any equity securities of the Company or any Subsidiary issued or issuable with respect to the securities referred to in clause (i) above by way of dividend, distribution, split or combination of securities, or any recapitalization, merger, consolidation or other reorganization.

“Participating Sponsor Investors” means any Sponsor Investor(s) participating in the request for a Demand Registration, Shelf Offering, Piggyback Registration or Underwritten Block Trade.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

“Piggyback Registrations” has the meaning set forth in Section 2(a).

“Public Offering” means any sale or distribution by the Company, one of its Subsidiaries and/or Holders to the public of Common Equity or other securities convertible into or exchangeable for Common Equity pursuant to an offering registered under the Securities Act.

“Registrable Securities” means Sponsor Investor Registrable Securities and Executive Registrable Securities and Other Registrable Securities. As to any particular Registrable Securities, such securities will cease to be Registrable Securities when they have been (a) sold or distributed pursuant to a Public Offering, (b) sold in compliance with Rule 144 following the consummation of the initial Public Offering, or (c) repurchased by the Company or a Subsidiary of the Company. For purposes of this Agreement, a Person will be deemed to be a holder of Registrable Securities, and the Registrable Securities will be deemed to be in existence, whenever such Person has the right to acquire, directly or indirectly, such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such

acquisition has actually been effected, and such Person will be entitled to exercise the rights of a holder of Registrable Securities hereunder (it being understood that a holder of Registrable Securities may only request that Registrable Securities in the form of Common Equity be registered pursuant to this Agreement). Notwithstanding the foregoing, following the consummation of an initial Public Offering, any Registrable Securities held by any Person (other than any Sponsor Investor or its Affiliates) that may be sold under Rule 144(b)(1)(i) without limitation under any of the other requirements of Rule 144 will be deemed not to be Registrable Securities.

“Registration Expenses” has the meaning set forth in Section 5.

“Rule 144”, “Rule 158”, “Rule 405”, “Rule 415”, “Rule 403B” and “Rule 462” mean, in each case, such rule promulgated under the Securities Act (or any successor provision) by the SEC, as the same will be amended from time to time, or any successor rule then in force.

“Sale of the Company” means any transaction or series of transactions pursuant to which any Person(s) or a group of related Persons (other than any Sponsor Investor and/or its Affiliates) in the aggregate acquires: (i) Common Equity of the Company entitled to vote (other than voting rights accruing only in the event of a default, breach, event of noncompliance or other contingency) to elect directors with a majority of the voting power of the Company’s board of directors (whether by merger, consolidation, reorganization, combination, sale or transfer of the Company’s Common Equity) or (ii) all or substantially all of the Company’s and its Subsidiaries’ assets determined on a consolidated basis; provided that a Public Offering will not constitute a Sale of the Company.

“Sale Transaction” has the meaning set forth in Section 3(a).

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

“Securities” has the meaning set forth in Section 3(a).

“Securities Act” means the Securities Act of 1933, as amended from time to time, or any successor federal law then in force, together with all rules and regulations promulgated thereunder.

“Shelf Offering” has the meaning set forth in Section 1(d)(i).

“Shelf Offering Notice” has the meaning set forth in Section 1(d)(i).

“Shelf Registration” has the meaning set forth in Section 1(a).

“Shelf Registrable Securities” has the meaning set forth in Section 1(d)(i).

“Shelf Registration Statement” has the meaning set forth in Section 1(d).

“Short-Form Registrations” has the meaning set forth in Section 1(a).

“Sponsor Investors” has the meaning set forth in the recitals; provided that any decision to be made under this Agreement by the Sponsor Investors shall be made by the holders of a majority of all Sponsor Investor Registrable Securities

“Sponsor Investor Registrable Securities” means (i) any Common Equity held (directly or indirectly) by any Sponsor Investor or any of its Affiliates, and (ii) any equity securities of the Company or any Subsidiary issued or issuable with respect to the securities referred to in clause (i) above by way of dividend, distribution, split or combination of securities, or any recapitalization, merger, consolidation or other reorganization.

“Subsidiary” means, with respect to the Company, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by the Company or one or more of the other Subsidiaries of the Company or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the limited liability company, partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by the Company or one or more Subsidiaries of the Company or a combination thereof. For purposes hereof, a Person or Persons will be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons will be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or will be or control the managing director or general partner of such limited liability company, partnership, association or other business entity.

“Suspension Event” has the meaning set forth in Section 1(f)(ii).

“Suspension Notice” has the meaning set forth in Section 1(f)(ii).

“Suspension Period” has the meaning set forth in Section 1(f)(i).

“Violation” has the meaning set forth in Section 6(a).

“WKSI” means a “well-known seasoned issuer” as defined under Rule 405.



**EXHIBIT B**

The undersigned is executing and delivering this Joinder pursuant to the Registration Rights Agreement dated as of \_\_\_\_\_, 20\_\_ (as amended, modified and waived from time to time, the "Registration Agreement"), among Integral Ad Science Holding Corp., a Delaware corporation (the "Company"), and the other persons named as parties therein (including pursuant to other Joinders). Capitalized terms used herein have the meaning set forth in the Registration Agreement.

By executing and delivering this Joinder to the Company, the undersigned hereby agrees to become a party to, to be bound by, and to comply with the provisions of, the Registration Agreement as a Holder in the same manner as if the undersigned were an original signatory to the Registration Agreement, and the undersigned will be deemed for all purposes to be a Holder, an **[Sponsor Investor//Executive//Other Investor thereunder]** and the undersigned's \_\_\_\_ **[shares of Common Equity// Units]** will be deemed for all purposes to be a **[Sponsor Investor // Executive // Other]** Registrable Securities under the Registration Agreement.

Accordingly, the undersigned has executed and delivered this Joinder as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Agreed and Accepted as of

\_\_\_\_\_, 20\_\_:

**INTEGRAL AD SCIENCE HOLDING CORP.**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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**CREDIT AGREEMENT**  
**dated as of July 19, 2018**

**among**

**KAVACHA MERGER SUB, INC.,**  
**as Merger Sub and the initial Borrower,**

**INTEGRAL AD SCIENCE, INC.,**  
**as the surviving entity after the Closing Date Acquisition**  
***and thereafter as the Borrower,***

**KAVACHA INTERMEDIATE, LLC,**  
**as Holdings,**

**THE GUARANTORS FROM TIME TO TIME PARTY HERETO,**

**THE LENDERS FROM TIME TO TIME PARTY HERETO,**

**GOLDMAN SACHS BDC, INC.,**  
**as Administrative Agent and Collateral Agent**  
**and**

**GOLDMAN SACHS PRIVATE MIDDLE MARKET CREDIT LLC**  
**GOLUB CAPITAL LLC,**  
**VCO CAPITAL MARKETS, LLC,**  
**BSP AGENCY, LLC,**  
**NB PD III HOLDINGS (LO) LP**  
**and**  
**NB PD III HOLDINGS (UO) LP**

**as Joint Lead Arrangers and Joint Bookrunners**

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## CREDIT AGREEMENT

This **CREDIT AGREEMENT** (this “**Agreement**”), dated as of July 19, 2018, is made among Kavacha Merger Sub, Inc., a Delaware corporation (“**Merger Sub**” and, prior to the consummation of the Closing Date Acquisition, the “**Borrower**”), upon consummation of the Closing Date Acquisition, Integral Ad Science, Inc., a Delaware corporation (“**IAS**” and, as the surviving entity after giving effect to the Closing Date Acquisition, the “**Borrower**”), Kavacha Intermediate, LLC, a Delaware limited liability company (“**Holdings**”), as a Guarantor, Kavacha Holdings, Inc., a Delaware corporation (“**Intermediate Holdings**”), as a Guarantor, each of the other Guarantors (such terms and each other capitalized term used but not defined herein having the meaning given to it in Article I) from time to time party hereto, the Lenders from time to time party hereto, Goldman Sachs BDC, Inc. (“**Goldman**”), as administrative agent for the Lenders (in such capacity, together with its successors and assigns, the “**Administrative Agent**”) and as collateral agent for the Secured Parties (in such capacity, together with its successors and assigns, the “**Collateral Agent**”).

### WITNESSETH:

WHEREAS, on the Closing Date, pursuant to the Agreement and Plan of Merger, dated as of June 1, 2018 (together with the exhibits and schedules thereto, as amended, restated, amended and restated, supplemented or otherwise modified from time to time in a manner not prohibited hereunder, the “**Closing Date Acquisition Agreement**”), by and among Intermediate Holdings, Merger Sub, and IAS, Merger Sub and Company and Shareholder Representative Services LLC, a Colorado limited liability company, solely in its capacity as equityholders’ representative, Holdings intends to, through one or more steps, consummate the merger of Merger Sub with and into IAS with IAS as the surviving entity of such merger (the “**Closing Date Acquisition**”);

WHEREAS, on the Closing Date, IAS intends to repay in full each of the Existing Credit Facilities, to terminate all commitments thereunder and all documents relating thereto and to terminate and release any and all security interests or guarantees in connection therewith (collectively, the “**Closing Date Refinancing**”).

WHEREAS, on the Closing Date, the Borrower has requested that (a) the Term Loan Lenders extend credit in the form of Term Loans in an aggregate principal amount equal to \$325,000,000 to fund a portion of the Closing Date Acquisition and to consummate the Closing Date Refinancing and (b) the Revolving Lenders extend Revolving Loans at any time and from time to time prior to the Revolving Maturity Date, in an aggregate principal amount not in excess of the Total Revolving Commitment (as defined below) (which shall include a Letter of Credit sub-facility of up to \$10,000,000 and a limitation on extensions of Revolving Loans on the Closing Date pursuant to Section 3.11).

NOW, THEREFORE, the Lenders are willing to extend such credit to the Borrower and the Issuing Bank is willing to issue letters of credit for the account of the Borrower on the terms and subject to the conditions set forth herein. Accordingly, in consideration of the mutual covenants and agreements set forth herein and in the other Loan Documents, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:



**ARTICLE I  
DEFINITIONS**

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

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

“**ABR Borrowing**” shall mean a Borrowing comprised of ABR Loans.

“**ABR Loan**” shall mean any ABR Term Loan or ABR Revolving Loan.

“**ABR Revolving Loan**” shall mean any Revolving Loan bearing interest at a rate determined by reference to the Alternate Base Rate in accordance with the provisions of Article II.

“**ABR Term Loan**” shall mean any Term Loan bearing interest at a rate determined by reference to the Alternate Base Rate in accordance with the provisions of Article II.

“**Additional Amount**” shall have the meaning assigned to such term in Section 2.15(a).

“**Additional Borrower**” shall mean any Wholly Owned Restricted Subsidiary incorporated under the laws of the United States, any state thereof or the District of Columbia that becomes a Borrower after the Closing Date pursuant to Section 2.23.

“**Additional Guarantor**” shall mean any Wholly Owned Restricted Subsidiary that becomes a Guarantor after the Closing Date pursuant to Section 5.10.

“**Additional Lender**” shall mean each Eligible Assignee that becomes a Lender.

“**Adjusted LIBO Rate**” shall mean, with respect to any Eurodollar Borrowing for any Interest Period, the greater of (i)(a) an interest rate per annum (rounded upward, if necessary, to the nearest 1/100th of 1.00%) equal to the LIBO Rate for such Eurodollar Borrowing in effect for such Interest Period divided by (b) 1 *minus* the Statutory Reserves (if any) for such Eurodollar Borrowing for such Interest Period and (ii) 1.00%.

“**Administrative Agent**” shall have the meaning given to that term in the preamble hereto, and include each other person appointed as a successor pursuant to Article IX.

“**Administrative Agent Fee**” shall have the meaning assigned to such term in Section 2.05(b).

“**Administrative Questionnaire**” shall mean an Administrative Questionnaire in form that may be supplied from time to time by Administrative Agent.

“**Affiliate**” shall mean, when used with respect to a specified person, another person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the person specified; *provided, however*, that neither any Lender nor any Agent (nor any of their Affiliates) shall be deemed to be an Affiliate of Holdings, Intermediate Holdings, the Borrower or any of their respective Subsidiaries solely by virtue of its capacity as a Lender or Agent hereunder.

“**Affiliated Debt Fund**” shall mean a debt fund or other investment vehicle that is an Affiliate of the Sponsor and that is primarily engaged in, or advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, notes, bonds and similar extensions of credit or securities in the ordinary course of its business and whose managers have fiduciary duties to the investors therein independent of or in addition to their duties to the Sponsor or any of its Affiliates.

“**Agents**” shall mean the Administrative Agent and the Collateral Agent; and “**Agent**” shall mean either of them.

“**Agreement**” shall have the meaning assigned to such term in the preamble hereto.

“**Alternate Base Rate**” shall mean, for any day, a rate per annum equal (rounded upward, if necessary, to the next highest 1/100 of 1%) to the greatest of (a) the Base Rate in effect on such day, (b) the Federal Funds Rate in effect on such day plus 1/2 of 1.00%, and (c) the Adjusted LIBO Rate for a one month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.00%; provided that in no event shall the Alternative Base Rate be less than 0.00%. Any change in the Alternate Base Rate due to a change in the Base Rate, the Federal Funds Rate or the Adjusted LIBO Rate shall be effective on the effective date of such change in the Base Rate, the Federal Funds Rate or the Adjusted LIBO Rate, as the case may be.

“**Anti-Terrorism Laws**” shall have the meaning assigned to such term in Section 3.19.

“**Applicable Date of Determination**” shall mean, for purposes of determining Consolidated Total Funded Indebtedness and Unrestricted Cash for the calculation of the Total Leverage Ratio and the LTM Recurring Revenue Leverage Ratio for determining whether an incurrence test has been satisfied, subject to Section 1.06, the date of the transaction subject to such incurrence test.

“**Applicable ECF Percentage**” shall mean, for any fiscal year of Holdings, (a) 50% if the Total Leverage Ratio (after giving effect to (i) any prepayments or buybacks described in Section 2.10(f)(B) and (ii) any such ECF Payment Amount assuming a 50% Applicable ECF Percentage) as of the last day of and for such fiscal year is greater than 6.50 to 1.00, (b) 25% if the Total Leverage Ratio (after giving effect to (i) any prepayments or buybacks described in Section 2.10(f)(B) and (ii) any such ECF Payment Amount assuming a 25% Applicable ECF Percentage) as of the last day of and for such fiscal year is equal to or less than 6.50 to 1.00 but greater than 5.50 to 1.00 and (c) 0% if the Total Leverage Ratio (after giving effect to any prepayments or buybacks described in Section 2.10(f)(B)) as of the last day of such fiscal year is equal to or less than 5.50 to 1.00. For the avoidance of doubt, if, after giving effect to the parenthetical phrases in any of the foregoing sub-clauses more than one of the preceding sub-clauses would be applicable, the sub-clause with the highest percentage shall apply.

“Applicable Margin” shall mean a percentage per annum equal to,

(a) with respect to the Revolving Loans, at the option of the Borrowers (with respect to the selection of either the Alternate Base Rate or the Adjusted LIBO Rate), as set forth below for the appropriate level:

<u>Level</u>	<u>Total Leverage Ratio</u>	<u>Applicable Margin for Eurodollar Loans</u>	<u>Applicable Margin for ABR Loans</u>	<u>Applicable Margin for LC Participation Fee</u>	<u>Commitment Fee</u>
I	> 6.50 to 1.00	6.00%	5.00%	6.00%	0.50%
II	£ 6.50 to 1.00 and > 5.75 to 1.00	5.50%	4.50%	5.50%	0.375%
III	£ 5.75 to 1.00	5.00%	4.00%	5.00%	0.375%

(b) with respect to the Term Loans, at the option of the Borrowers (with respect to the selection of either the Alternate Base Rate or the Adjusted LIBO Rate), as set forth below for the appropriate level:

<u>Level</u>	<u>Total Leverage Ratio</u>	<u>Applicable Margin for Eurodollar Loans</u>	<u>Applicable Margin for ABR Loans</u>
I	> 6.50 to 1.00	6.00%	5.00%
II	£ 6.50 to 1.00 and > 5.75 to 1.00	5.50%	4.50%
III	£ 5.75 to 1.00	5.00%	4.00%

*provided* that, until the date on which a certified calculation of the Total Leverage Ratio has been delivered pursuant to Section 5.01(d) demonstrating that the Total Leverage Ratio for the fiscal quarter most recently then ended did not exceed 6.50 to 1.00, the Applicable Margin, the LC Participation Fee and the Commitment Fee shall be set at the margin in the row styled “Level I” in the applicable table;

Except as set forth in the foregoing proviso, the Applicable Margin with respect to Term Loans and Revolving Loans shall be re-determined quarterly on the first Business Day of the month following the date of delivery to the Administrative Agent of a certified calculation of the Total Leverage Ratio in accordance with Section 5.01(d); *provided* that if such certification is not provided in accordance with Section 5.01(d), the Applicable Margin, the LC Participation Fee and the Commitment Fee shall be set at the margin in the row styled “Level I” in the applicable table shall be set at the Level I Levels as of the first Business Day of the month following the end of the quarter for which the certification was not delivered until the date on which such certification is delivered (on which date, the Applicable Margin with respect to Term Loans and Revolving Loans shall be set at the margin based upon the calculations disclosed by such certification).

In the event that the certified calculation of the Total Leverage Ratio previously delivered pursuant to Section 5.01(d) was inaccurate (and such inaccuracy is discovered while any Revolving Commitments or Term Loans are outstanding), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for the Term Loans or Revolving Loans, as applicable, for any period (an “**Applicable Period**”) than the Applicable Margin for Term Loans, or Revolving Loans, as applicable, applied for such Applicable Period, then, to the extent any Revolving Commitments or Term Loans are outstanding at such time, (i) the Borrower shall as soon as practicable deliver to the Administrative Agent the correct certified calculation of the Total Leverage Ratio for such Applicable Period, (ii) the Applicable Margin for Term Loans and Revolving Loans, as applicable, shall be determined as if the Level for such higher Applicable Margin for Term Loans or Revolving Loans, as applicable, were applicable for such Applicable Period, and (iii) the Borrower shall within ten Business Days of written demand therefor by the Administrative Agent pay to the Administrative Agent the accrued additional interest with respect to Term Loans and Revolving Loans owing as a result of such increased Applicable Margin for Term Loans and Revolving Loans for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with this Agreement.

Notwithstanding the foregoing, the Applicable Margin in respect of any Extended Loan shall be the applicable percentages per annum set forth in the relevant Extension Amendment.

“**Applicable Other Indebtedness**” shall have the meaning assigned to such term in Section 2.10(h).

“**Applicable Prepayment Premium**” shall have the meaning assigned to such term in Section 2.10(j).

**“Approved Fund”** shall mean any Fund that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity, or an Affiliate of an entity that administers, advises or manages a Lender.

**“Asset Sale”** shall mean (i) any conveyance, sale, transfer or other disposition of any property pursuant to Section 6.05(b), (f), (n), (p), (s), and (t) or (ii) any issuance or sale of any Equity Interest of any Group Member (other than Holdings, and other than to any Group Member (other than in the case of an issuance or sale of any Equity Interest of any Credit Party to any Group Member that is not a Credit Party)), and in any event “Asset Sales” shall exclude Casualty Events of any Group Member.

**“Asset Sale Threshold”** shall have the meaning assigned to such term in Section 2.10(c)(i).

**“Assignment and Assumption”** shall mean an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 10.04(b)), and accepted by the Administrative Agent, in substantially the form (including electronic documentation generated by use of an electronic platform) of Exhibit A, or any other form approved by the Administrative Agent.

**“Attributable Indebtedness”** shall mean, when used with respect to any Sale Leaseback Transaction, as at the time of determination, the present value (discounted at a rate equivalent to the Borrower’s then-current weighted average cost of funds for borrowed money as at the time of determination, compounded on a semi-annual basis) of the total obligations of the lessee for rental payments during the remaining term of the lease included in any such Sale Leaseback Transaction.

**“Auto-Renewal Letter of Credit”** shall have the meaning assigned to such term in Section 2.18(c)(ii).

**“Available Retained ECF Amount”** shall mean, at any date of determination, the portion of Excess Cash Flow, determined on a cumulative basis for all fiscal years of Holdings (commencing with the fiscal year ending December 31, 2019) that was not required to be applied to prepay Term Loans pursuant to Section 2.10(f) or to prepay any other Indebtedness pursuant to Section 2.10(h); *provided* that in no event shall the “Available Retained ECF Amount” be less than \$0.

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

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

**“Bankruptcy Code”** shall mean the Federal Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. §§ 101 et seq. and the regulations issued thereunder.

**“Base Rate”** shall mean a rate per annum equal to the rate last quoted by The Wall Street Journal as the “Prime Rate” in the United States or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent).

**“Beneficial Ownership Certification”** means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

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

**“Benefit Plan”** means any of (a) an Employee Benefit Plan that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such Employee Benefit Plan or “plan”.

**“Board”** shall mean the Board of Governors of the Federal Reserve System of the United States.

**“Board of Directors”** shall mean, with respect to any person, (a) in the case of any corporation, the board of directors of such person, (b) in the case of any limited liability company, the board of managers, manager or managing member of such person, (c) in the case of any partnership, the general partner of such person and (d) in any other case, the functional equivalent of the foregoing.

**“Bona Fide Debt Fund”** shall mean any debt Fund Affiliate of any Person described in clause (a) or (b) of the definition of Disqualified Institution that is primarily engaged in, or advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, notes, bonds and similar extensions of credit or securities in the ordinary course of its business and whose managers have fiduciary duties to the investors therein independent of or in addition to their duties to such Person described in clause (a) or (b) of the definition of Disqualified Institution or to an Affiliate of a Person described in clause (b) of the definition of Disqualified Institution.

**“Borrower”** shall have the meaning assigned to such term in the preamble hereto; *provided* that the term “Borrower” shall include any Additional Borrower.

**“Borrowing”** shall mean Loans of the same Class and Type, made, converted or continued on the same date and, in the case of Eurodollar Loans, as to which a single Interest Period is in effect.

**“Borrowing Request”** shall mean a written request by the Borrower in accordance with the terms of Section 2.03 and substantially in the form of Exhibit B, or such other form (including electronic documentation generated by the use of an electronic platform) as shall be approved by the Administrative Agent (which approval shall not be unreasonably withheld).

**“Business Day”** shall mean any day other than a Saturday, Sunday or other day on which banks in New York City are authorized or required by law to close; *provided, however*, that when used in connection with a Eurodollar Loan, the term **“Business Day”** shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

**“Capital Assets”** shall mean, with respect to any person, all equipment, rolling stock, aircraft, fixed assets and Real Property or improvements of such person, or replacements or substitutions therefor or additions thereto, that, in accordance with GAAP, have been or should be reflected as additions to property, plant or equipment on the balance sheet of such person.

**“Capital Expenditures”** shall mean, for any period, the aggregate of, without duplication, (a) all expenditures (whether paid in cash or accrued as liabilities) by Holdings and its Restricted Subsidiaries during such period that, in conformity with GAAP, are or are required to be included as additions during such period to property, plant or equipment reflected in the consolidated balance sheet of Holdings and its Restricted Subsidiaries and (b) Capital Lease Obligations incurred by Holdings and its Restricted Subsidiaries during such period.

**“Capital Lease Obligations”** shall mean, at the time any determination thereof is to be made, the amount of the liability in respect of a Capital Lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) prepared in accordance with GAAP.

**“Capital Leases”** shall mean all leases that are required to be, in accordance with GAAP, recorded as capitalized leases; *provided* that the adoption or issuance of any accounting standards after the Closing Date will not cause any lease that was not or would not have been a Capital Lease prior to such adoption or issuance to be deemed a Capital Lease.

**“Cash Equivalents”** shall mean, as to any person, (a) securities issued, or directly, unconditionally and fully guaranteed or insured, by the United States or any political subdivision, agency or instrumentality thereof (*provided* that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than one year from the date of acquisition by such person; (b) securities issued, or directly, unconditionally and fully guaranteed or insured, by any state of the United States or any political subdivision of any such state or any public instrumentality thereof (*provided* that the full faith and credit of such state is pledged in support thereof) having maturities of not more than one year from the date of acquisition by such person; (c) time deposits and certificates of deposit of any Lender or any commercial bank having, or which is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or the District of Columbia having, capital and surplus aggregating in excess of \$500,000,000 and a rating of “A” (or such other similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) with maturities of not more than one year from the date of acquisition by such person, and securities with maturities of one year or less from the date of

acquisition backed by standby letters of credit issued by any Lender or any commercial bank satisfying the requirements of this clause (c);  
(d) repurchase obligations for underlying securities of the types described in clauses (a), (b) or (c) above entered into with any bank meeting the qualifications specified in clause (c) above, which repurchase obligations are secured by a valid perfected security interest in the underlying securities;  
(e) commercial paper issued by any person incorporated in the United States rated at least A-1 or the equivalent thereof by S&P or at least P-1 or the equivalent thereof by Moody's, and in each case maturing not more than one year after the date of acquisition by such person; (f) investments in money market funds substantially all of whose assets are comprised of securities of the types described in clauses (a) through (e) above, or that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA by S&P or Aaa by Moody's and (iii) have portfolio assets of at least \$500,000,000; (g) demand deposit accounts maintained in the ordinary course of business; and (h)(i) investments of the type and (to the extent applicable) maturity described in clauses (a) through (g) above of (or maintained with) a comparable foreign obligor, which investments or obligors (or the parent thereof) have ratings described in clause (c) or (e) above, if applicable, or equivalent ratings from comparable foreign rating agencies or (ii) investments of the type and maturity (to the extent applicable) described in clauses (a) through (g) above of (or maintained with) a foreign obligor (or the parent thereof), which investments or obligors (or the parents thereof) are not rated as provided in such clauses or in subclause (i) of this clause (h) but which are, in the reasonable judgment of the Borrower, comparable in investment quality to such investments and obligors (or the parents of such obligors).

**“Cash Management Agreement”** shall mean any agreement to provide cash management services, including treasury, depository, overdraft, credit or debit card, electronic funds transfer and other cash management arrangements.

**“Cash Management Bank”** shall mean any Person that is a Lender or an Agent (or an Affiliate of a Lender or an Agent) and any person who was a Lender or an Agent (or any Affiliate of a Lender or an Agent) at the time it entered into a Cash Management Agreement, in each case, in its capacity as a party to such Cash Management Agreement; *provided* that if such Person is (or was, at the time it entered into a Cash Management Agreement) an Affiliate of a Lender or an Agent, such person shall deliver to the Administrative Agent a letter agreement pursuant to which such person (i) appoints the Collateral Agent as its agent under the applicable Loan Documents and (ii) agrees to be bound by the provisions of Sections 9.03, 10.03 and 10.09 as if it were a Lender.

**“Casualty Event”** shall mean any involuntary loss of title, any involuntary loss of, damage to or any destruction of, or any condemnation or other taking (including by any Governmental Authority) of, any property of any Group Member. **“Casualty Event”** shall include but not be limited to any taking of all or any part of any Real Property of any Person or any part thereof, in or by condemnation or other eminent domain proceedings pursuant to any Requirements of Law, or by reason of the temporary requisition of the use or occupancy of all or any part of any Real Property of any Person or any part thereof by any Governmental Authority, civil or military, or any settlement in lieu thereof.

**“Casualty Event Threshold”** shall have the meaning assigned to such term in Section 2.10(e)(i).



“CFC” shall mean a Foreign Subsidiary that is a controlled foreign corporation within the meaning of Section 957 of the Code.

“CFC Holding Company” shall mean any Subsidiary that has no material assets other than (a) Equity Interests (including any debt instrument treated as equity for U.S. federal income tax purposes) or (b) Equity Interests (including any debt instrument treated as equity for U.S. federal income tax purposes) and debt instruments, in the case of clauses (a) and (b), of one or more (x) Excluded Foreign Subsidiaries and (y) other Subsidiaries that are CFC Holding Companies pursuant to clause (x) of this definition.

A “Change in Control” shall be deemed to have occurred if:

(a) prior to an IPO, (i) the Equity Investors (collectively) shall fail to own (directly or indirectly), or to have the power to vote or direct the voting of, directly or indirectly, Voting Stock of Holdings representing more than 50% of the voting power of the total outstanding Voting Stock of Holdings or (ii) the Equity Investors cease (directly or indirectly) to have the power to appoint or remove a majority of the Board of Directors of Holdings;

(b) upon and following an IPO, the Equity Investors (collectively) shall fail to own (directly or indirectly), or to have the power to vote or direct the voting of, directly or indirectly, Voting Stock of Holdings representing more than 35% of the voting power of the total outstanding Voting Stock of Holdings;

(c) upon and following an IPO, any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than one or more Equity Investors, is or becomes the beneficial owner (as defined in Rules 13d-3 (other than clause (b) thereof) and 13d-5 under the Exchange Act, except that for purposes of this clause such person or group shall be deemed to have “beneficial ownership” of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of Voting Stock of Holdings representing more than the total Voting Stock of Holdings then held by the Equity Investors (collectively);

(d) Holdings shall cease to beneficially own and Control, directly or indirectly, 100% on a fully diluted basis of the economic and voting interests in the Equity Interests of the Borrower; or

(e) a “Change in Control” (or equivalent term) as defined in the definitive debt documentation for any Indebtedness secured by the Collateral on a junior basis to the Secured Obligations, Junior Indebtedness, Senior Unsecured Indebtedness, Permitted Junior Refinancing Debt, Permitted Pari Passu Refinancing Debt, Permitted Unsecured Refinancing Debt, Registered Equivalent Notes or Indebtedness incurred pursuant to a Permitted Refinancing or any of the foregoing shall occur; *provided* that, solely in the case of any Senior Unsecured Indebtedness or any Indebtedness incurred pursuant to a Permitted Refinancing thereof, so long as the aggregate principal amount of such Indebtedness exceeds \$7,250,000.

For purposes of this definition, a person acquiring Voting Stock shall not be deemed to have beneficial ownership of such Voting Stock subject to a stock purchase agreement, merger agreement or similar agreement, so long as such agreement contains a condition to the closing of the transactions contemplated thereunder that the Obligations shall be Paid in Full and the Commitments hereunder terminated prior to (or contemporaneously with) the consummation of such transactions.

“**Change in Law**” shall mean (a) the adoption of, or taking effect of, any law, treaty, order, rule or regulation after the date hereof, (b) any change in any law, treaty, order, rule or regulation or in the administration, interpretation, implementation or application thereof by any Governmental Authority after the date hereof or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date hereof; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “**Change in Law**,” regardless of the date enacted, adopted or issued.

“**Charges**” shall have the meaning assigned to such term in Section 10.14.

“**Class**” subject to Section 2.21 and Section 2.22, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans or Term Loans and, when used in reference to any Commitment, refers to whether such Commitment is a Revolving Commitment or Term Loan Commitment, in each case, under this Agreement as originally in effect or pursuant to Section 2.20.

“**Closing Date**” shall mean the date of the initial Credit Extensions hereunder.

“**Closing Date Acquisition**” shall have the meaning assigned to such term in the recitals hereto.

“**Closing Date Acquisition Agreement**” shall have the meaning assigned to such term in the recitals hereto.

“**Closing Date Acquisition Documents**” shall mean the Closing Date Acquisition Agreement and all material documents and agreements related thereto or expressly contemplated thereby.

“**Closing Date Equity Issuance**” shall mean the cash contribution to Holdings in exchange for equity of Holdings (in the form of (1) common equity and/or (2) preferred equity constituting Qualified Capital Stock), directly or indirectly, by the Equity Investors (and their respective Affiliates), in an aggregate amount inclusive of capital contributions and investments by management and existing equity holders of the Borrower rolled over or invested, directly or indirectly, in Holdings in connection with the Transactions and other investors designated by Sponsor in an amount at least equal to the greater of (x) 60% of the sum of (i) the aggregate principal amount of the Loans funded on the Closing Date (excluding Borrowings of Revolving Loans to fund working capital needs (including any working capital payments or adjustments under the Closing Date Acquisition Agreement) and any proceeds of Revolving Loans applied to backstop or cash collateralize existing letters of credit) plus (ii) the equity capitalization of

Holdings and its Subsidiaries on the Closing Date after giving effect to the Transactions and (y) the amount necessary such that immediately after giving effect to the Transactions (including for the avoidance of doubt the Closing Date Equity Issuance, the funding of the Loans on the Closing Date and the payment of all Consolidated Transaction Costs and the consummation Closing Date Refinancing), the Borrower and its Restricted Subsidiaries shall have at least \$45,000,000 of Liquidity. Immediately following the consummation of the contribution, Holdings will contribute the full amount of the contribution to Intermediate Holdings.

“**Closing Date Refinancing**” shall have the meaning assigned to such term in the recitals hereto.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended from time to time (unless otherwise specified).

“**Collateral**” shall mean, collectively, all of the Security Agreement Collateral and all other property of whatever kind and nature, whether now owned or hereinafter acquired, subject or purported to be subject from time to time to a Lien under any Security Document.

“**Collateral Agent**” shall have the meaning assigned to such term in the preamble hereto, and include each other person appointed as a successor thereto pursuant to Article IX. For purposes of Article IX only, references to the Administrative Agent shall be deemed to also refer to the Collateral Agent unless the context requires otherwise.

“**Commitment**” shall mean, with respect to any Lender, such Lender’s Revolving Commitment or Term Loan Commitment.

“**Commitment Fee**” shall have the meaning assigned to such term in Section 2.05(a).

“**Commitment Parties**” shall mean each of Goldman Sachs Asset Management, L.P., Golub Capital LLC, VCO Capital Markets, LLC, BSP Agency, LLC, New Mountain Finance Corporation, NB PD III Holdings (LO) LP, and NB PD III Holdings (UO) LP.

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

“**Communications**” shall have the meaning assigned to such term in Section 10.01(d).

“**Compliance Certificate**” shall mean a certificate of a Financial Officer substantially in the form of Exhibit C.

“**Connection Income Taxes**” shall mean Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profit Taxes.

“**Consolidated Amortization Expense**” shall mean, for any period, the amortization expense of Holdings and its Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP, and including, without limitation, amortization of goodwill, software and other intangible assets.

**“Consolidated Current Assets”** shall mean, as at any date of determination, the total assets of Holdings and its Restricted Subsidiaries which may properly be classified as current assets (excluding deferred tax assets without duplication of amounts otherwise added in calculating Excess Cash Flow) on a consolidated balance sheet of Holdings and its Restricted Subsidiaries in accordance with GAAP, excluding cash and Cash Equivalents; *provided* that Consolidated Current Assets shall be calculated without giving effect to the impact of purchase accounting.

**“Consolidated Current Liabilities”** shall mean, as at any date of determination, the total liabilities (excluding deferred taxes and taxes payable, in each case, without duplication of amounts otherwise deducted in calculating Excess Cash Flow) of Holdings and its Restricted Subsidiaries which may properly be classified as current liabilities (other than the current portion of any Indebtedness and other long term liabilities, and accrued interest thereon) on a consolidated balance sheet of Holdings and its Restricted Subsidiaries in accordance with GAAP; *provided* that Consolidated Current Liabilities shall be calculated without giving effect to the impact of purchase accounting.

**“Consolidated Depreciation Expense”** shall mean, for any period, the depreciation expense of Holdings and its Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

**“Consolidated EBITDA”** shall mean, for any period, Consolidated Net Income for such period, adjusted by (x) *adding thereto*, in each case only to the extent (and in the same proportion) deducted in determining such Consolidated Net Income (other than in respect of clauses (f), (l), (o) and (s) below) and without duplication:

- (a) Consolidated Interest Expense;
- (b) Consolidated Amortization Expense;
- (c) Consolidated Depreciation Expense;
- (d) Consolidated Tax Expense;
- (e) Consolidated Transaction Costs;

(f) (x) pro forma adjustments of the type in the Sponsor Model, and (y) “run rate” cost savings, operating expense reductions, other operating improvements and initiatives and synergies that are reasonably anticipated by the Borrower (as reasonably determined by the Borrower in good faith and certified by a Financial Officer of the Borrower or Holdings) to be realizable within 18 months after any acquisition (including the commencement of activities constituting a business) or disposition (including the termination or discontinuance of activities constituting a business), in each case of business entities or of properties or assets constituting a division or line of business (including, without limitation, a product line), and/or any other operational change (including, to the extent applicable, in connection with the Transactions or any restructuring), in each case, whether such action has been taken or is expected to be taken (which

will be added to Consolidated EBITDA as so projected until fully realized and calculated on a Pro Forma Basis as though such synergies, cost savings, operating expense reductions, other operating improvements and initiatives had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions; *provided* that (i) for the avoidance of doubt, with respect to operational changes that are not associated with any acquisition or disposition, the “run rate” cost savings, operating expense reductions, other operating improvements and initiatives and synergies associated with such operational change shall be limited to those that are reasonably anticipated by the Borrower to be realizable within 18 months after the date on which such operational change is planned or otherwise identified by the Borrower in good faith, (ii) to the extent that such cost savings, operating expense reductions, other operating improvements and initiatives and synergies are no longer anticipated by the Borrower to be realizable within 18 months following the relevant acquisition, disposition or operational change or, in the case of operational changes that are not associated with an acquisition or disposition, within 18 months after the date on which such operational change is planned or otherwise identified by the Borrower in good faith, such amounts shall no longer be added back to Consolidated EBITDA and (iii) amounts added back to Consolidated EBITDA pursuant to subclause (y) of this clause (f) and pursuant to the second paragraph of the definition of “Pro Forma Basis”, shall not, in the aggregate, exceed 25% of Consolidated EBITDA for any four fiscal quarter period (determined prior to giving effect thereto);

(g) any charges, expenses, costs, accruals, reserves, payments, fees and expenses or loss of any kind (“Charges”) (including rationalization, legal, tax, structuring and other costs and expenses) (other than depreciation or amortization expense) related to any consummated, anticipated, unsuccessful or attempted equity offering (including an IPO), issuance or repurchase, other Equity Issuance, incurrence by Holdings or any of its Restricted Subsidiaries of Indebtedness (including an amendment thereto or a refinancing thereof, whether or not successful, and any costs of surety bonds incurred in connection with successful or unsuccessful financing activities), Dividend (including the amount of expenses relating to payments made to option holders of any direct or indirect parent of the Borrower in connection with, or as a result of, any distribution being made to equityholders of such Person, which payments are being made to compensate such option holders as though they were equityholders at the time of, and entitled to share in, such distribution, in each case to the extent permitted under this Agreement), Investment, acquisition (including the Closing Date Acquisition and any Permitted Acquisition or other Investments) (including (x) bonuses paid to employees, severance and reorganization costs and expenses in connection with any Permitted Acquisition and other investments permitted hereunder, (y) fees, costs and expenses incurred in connection with the de-listing of public targets or compliance with public company requirements in connection with any Permitted Acquisition, or other Investment, and, if applicable, any Public Company Costs, and (z) to the extent arising in the context of “take private” Permitted Acquisitions or Investments, litigation expenses and settlement amounts), Asset Sale or other disposition, consolidations, restructurings, repayment of Indebtedness (including Restricted Debt Payments) or recapitalization or the breakage of any hedging arrangement permitted hereunder or the incurrence of Indebtedness permitted to be incurred hereunder (including a refinancing thereof) (in each case, whether or not successful), including such fees, expenses, costs or Charges related to (i) the offering, syndication, assignment and administration of the loans under the Loan Documents and any other credit facilities (including, and together with, Charges of S&P, Moody’s or any other nationally recognized ratings agency, if applicable) and (ii) any refinancing, extension, waiver, forbearance, amendment or other modification of the Loan Documents and any other credit facilities (in each case, whether consummated, anticipated, unsuccessful, attempted or otherwise);

(h) (i) any non-cash Charges, impairment Charges (including bad debt expense), write-downs, write-offs, expenses, losses or items (including, without limitation, purchase accounting adjustments under ASC 805 or similar recapitalization accounting or acquisition accounting under GAAP or similar provisions under GAAP, or any amortization or write-off of any amounts thereof (including, without limitation, with respect to inventory, property and equipment, leases software, goodwill, intangible assets, in-process research and development, deferred revenue, advanced billings and debt line items)) (including any (x) non-cash expense relating to the vesting of warrants, (y) non-cash asset retirement costs, and (z) non-cash increase in expenses resulting from the revaluation of inventory (including any impact of changes to inventory valuation policy methods) or other inventory adjustments), including any such charges, impairment charges, write-downs, write-offs, expenses, losses or items pushed down to Holdings and its Restricted Subsidiaries, (ii) net non-cash exchange, translation or performance losses relating to foreign currency transactions and foreign exchange adjustments including, without limitation, losses and expenses in connection with, and currency and exchange rate fluctuations and losses or other obligations from, hedging activities or other derivative instruments, and (iii) cash Charges resulting from the application of ASC 805 (including with respect to Earn-Outs incurred by Holdings, Intermediate Holdings, the Borrower or any of its Restricted Subsidiaries in connection with any Permitted Acquisition or other Investment (including any acquisition or other Investment consummated prior to the Closing Date), in each case, by Holdings or its Restricted Subsidiaries, paid or accrued during the applicable period);

(i) (i) the amount of management, advisory, monitoring, consulting, refinancing, subsequent transaction and exit fees (including termination fees) and similar fees and expenses and related indemnities and expenses paid or accrued by Holdings or its Restricted Subsidiaries to direct or indirect equity holders of Holdings (and their Affiliates), including any such fees, expenses and indemnities required to be paid pursuant to the Management Services Agreement and payments for any financial advisory, financing, underwriting or placement services or in respect of other investment banking activities, to the extent such payments are permitted hereunder, and (ii) directors' fees and expenses paid or accrued by Holdings or its Restricted Subsidiaries or, to the extent paid or accrued with respect to services that relate directly to Holdings or its Restricted Subsidiaries and paid for with amounts distributed by Holdings and its Restricted Subsidiaries, of any direct or indirect parent thereof;

(j) Charges that are covered by indemnification, reimbursement, guaranty, purchase price adjustment or other similar provisions in favor of Holdings or its Restricted Subsidiaries in any agreement entered into by Holdings or any of its Restricted Subsidiaries to the extent such expenses and payments have been reimbursed pursuant to the applicable indemnity, guaranty or acquisition agreement in such period (or are reasonably expected to be so paid or reimbursed within one year after the end of such period to the extent not accrued) or an earlier period if not added back to Consolidated EBITDA in such earlier period; *provided* that (i) if such amount is not so reimbursed within such one year period, such expenses or losses shall be subtracted in the subsequent calculation period and (ii) if reimbursed or received in a subsequent period, such amount shall not be included or added back in calculating Consolidated EBITDA in such subsequent period;

(k) Insurance Loss Addbacks; *provided* that if such amount is both (i) added back to Consolidated EBITDA and (ii) not so reimbursed or received by Holdings or its Restricted Subsidiaries within such one year period applicable thereto, then such Insurance Loss Addback shall be subtracted in the subsequent Test Period; *provided*, further, that if such amount is reimbursed or received in a subsequent Test Period, such amount shall not be included or added back in calculating Consolidated EBITDA in such subsequent Test Period;

(l) the aggregate amount of proceeds of business interruption insurance received from an unaffiliated insurance company in cash by Holdings or one of its Restricted Subsidiaries during such period (or so long as such amount is reasonably expected to be received in cash by Holdings or such Restricted Subsidiary in a subsequent calculation period and within one year of the date of the underlying loss) to the extent not already included in Consolidated Net Income; *provided* that, (i) if such amount is both (1) added back to Consolidated EBITDA and (2) not so reimbursed or received by Holdings or such Restricted Subsidiary within such one year period, then such expenses or losses shall be subtracted in the subsequent Test Period and (ii) if such amount is reimbursed or received in a subsequent Test Period, such amount shall not be included or added back in calculating Consolidated EBITDA in such subsequent Test Period;

(m) any exceptional, extraordinary, unusual or non-recurring expenses, losses or Charges incurred;

(n) restructuring charges, carve-out costs, severance costs, integration costs, retention, recruiting, relocation, signing bonuses and expenses, stock option and other equity-based compensation expenses, accruals or reserves (including restructuring costs related to Permitted Acquisitions and other Investments permitted hereunder and adjustments to existing reserves), any one time expense relating to enhanced accounting function, the closure and/or consolidation of facilities and existing lines of business and optimization expense and Public Company Costs;

(o) solely for purposes of determining compliance with Section 6.08 (and solely to the extent made in compliance with Section 8.03(a)), in respect of any period which includes a Cure Quarter, the Cure Amount in connection with an Equity Cure Contribution in respect of such Cure Quarter;

(p) non-cash costs and expenses relating to any equity-based compensation or equity-based incentive plan of Holdings (or its direct or indirect parent company) or any of its Restricted Subsidiaries;

(q) the unamortized fees, costs and expenses paid in cash in connection with the repayment of Indebtedness to persons that are not Affiliates of Holdings or any of its Restricted Subsidiaries;

(r) letter of credit fees;

(s) other adjustments that are (i) of the type recommended (in reasonable detail) by any quality of earnings report made available to the Administrative Agent prepared by financial advisors (which financial advisors are (A) nationally recognized or (B) reasonably acceptable to the Administrative Agent (it being understood and agreed that any of the "Big Four" accounting firms are acceptable)) and retained by a Credit Party, (ii) determined on a basis consistent with Article 11 of Regulation S-X promulgated under the Exchange Act and as interpreted by the staff of the SEC (or any successor agency), (iii) approved by the Administrative Agent, or (iv) contained in the Sponsor Model;

(t) net realized losses from Hedging Agreements or embedded derivatives that require similar accounting treatment;

(u) [reserved];

(v) any net loss from disposed, abandoned, transferred, closed or discontinued operations (excluding held for sale discontinued operations until actually disposed of);

(w) any net loss included in Consolidated Net Income attributable to non-controlling interests in any non-Wholly Owned Subsidiary or any joint venture; and

(x) all cash actually received (or any netting arrangements resulting in reduced cash expenditures) during the relevant period and not included in Consolidated Net Income in respect of any non-cash gain deducted in the calculation of Consolidated EBITDA (including any component definition) for any previous period and not added back during such period;

and (y) *subtracting therefrom*, in each case (other than pursuant to clause (E) below) only to the extent (and in the same proportion) added in determining such Consolidated Net Income and without duplication, the aggregate amount of (A) all non-cash items increasing Consolidated Net Income for such period (other than the accrual of revenue or recording of receivables in the ordinary course of business), (B) any extraordinary, unusual or non-recurring gains increasing Consolidated Net Income for such period, (C) any net realized income or gains from any obligations under any Hedging Agreement or embedded derivatives that require similar accounting treatment, (D) any net gain from disposed, abandoned, transferred, closed or discontinued operations (excluding held for sale discontinued operations until actually disposed of), (E) any software development costs incurred during such period (regardless of whether or not capitalized), (F) the amount of any minority interest net income attributable to non-controlling interests in any non-Wholly Owned Subsidiary or any joint venture; and (G) net unrealized or realized exchange, translation or performance income or gains relating to foreign currency transactions and foreign exchange adjustments including, without limitation, income or gains in connection with, and currency and exchange rate fluctuations and income or gains from, hedging activities or other derivative instruments.

Notwithstanding anything to the contrary, it is agreed that, for September 30, 2017, December 31, 2017, March 31, 2018 or June 30, 2018, Consolidated EBITDA shall be deemed to be \$832,376, \$8,886,171, \$1,556,564 and \$3,017,854, respectively, in each case, as adjusted on a Pro Forma Basis and to give effect to any adjustments in clauses (f) and (s) above that in each case may become applicable due to actions taken on or after the Closing Date, as applicable; it being agreed that for purposes of calculating any financial ratio or test in connection with a Subject Transaction, Consolidated EBITDA shall be calculated on a Pro Forma Basis in a manner consistent with Consolidated EBITDA for each quarterly period set forth above and the adjustments set forth above in this definition. Other than for purposes of calculating Excess Cash Flow, Consolidated EBITDA shall be calculated on a Pro Forma Basis to give effect to any Subject Transaction as if it occurred on the first day of the reference period.



“**Consolidated Interest Expense**” shall mean, for any period, the total consolidated interest expense of Holdings and its Restricted Subsidiaries for such period determined on a consolidated basis in accordance with GAAP *plus*, without duplication:

- (a) imputed interest on Capital Lease Obligations and Attributable Indebtedness of Holdings and its Restricted Subsidiaries for such period;
- (b) commissions, discounts and other fees, costs and charges owed by Holdings or any of its Restricted Subsidiaries with respect to letters of credit, and bankers’ acceptance financings or receivables financings for such period;
- (c) amortization of costs in connection with the incurrence by Holdings or any of its Subsidiaries of Indebtedness, debt discount or premium and other financing fees and expenses incurred by Holdings or any of its Restricted Subsidiaries for such period;
- (d) cash contributions to any employee stock ownership plan or similar trust made by Holdings or any of its Restricted Subsidiaries to the extent such contributions are used by such plan or trust to pay interest or fees to any person (other than Holdings or any of its Restricted Subsidiaries) in connection with Indebtedness incurred by such plan or trust for such period;
- (e) all interest paid or payable with respect to discontinued operations of Holdings or any of its Restricted Subsidiaries for such period;
- (f) the interest portion of any deferred payment obligations of Holdings or any of its Restricted Subsidiaries for such period; and
- (g) all interest on any Indebtedness of Holdings or any of its Restricted Subsidiaries of the type described in clauses (f) or (i) of the definition of “Indebtedness” for such period;

*provided* that (a) to the extent directly related to the Transactions, debt issuance costs, debt discount or premium and other financing fees and expenses shall be excluded from the calculation of Consolidated Interest Expense and (b) Consolidated Interest Expense shall be calculated after giving effect to Hedging Agreements related to interest rates (including associated costs), but excluding unrealized gains and losses with respect to Hedging Agreements related to interest rates.

Consolidated Interest Expense shall be calculated on a Pro Forma Basis to give effect to any Indebtedness (other than Indebtedness incurred for ordinary course working capital needs under ordinary course revolving credit facilities) incurred, assumed or permanently repaid or prepaid or extinguished at any time on or after the first day of the Test Period and prior to the date of determination in connection with the Transactions, any Permitted Acquisitions, Asset Sales or other dispositions (other than any Asset Sales or other dispositions in the ordinary course of business), and discontinued division or line of business (including, without limitation, a product line) or operations as if such incurrence, assumption, repayment or extinguishing had been effected on the first day of such period in each case to the extent permitted by this Agreement.

**“Consolidated Net Income”** shall mean, for any period, the consolidated net income (or loss) attributable to Holdings and its Restricted Subsidiaries determined on a consolidated basis in accordance with GAAP; *provided* that there shall be excluded from such net income (to the extent otherwise included therein), without duplication:

(a) the net income (or loss) of any person that is not a Restricted Subsidiary of Holdings, except to the extent that cash in an amount equal to any such income has actually been received by Holdings or (subject to clause (b) below) any of its Restricted Subsidiaries during such period;

(b) the net income of any Restricted Subsidiary of Holdings during such period to the extent that the declaration or payment of Dividends or similar distributions by such Restricted Subsidiary of that income is not permitted by operation of the terms of its Organizational Documents or any agreement (other than this Agreement, any other Loan Document or any refinancings thereof), instrument, or Requirements of Law applicable to that Restricted Subsidiary or its equity holders during such period (unless such restriction or limitation has been waived), except that Holdings’ equity in the net loss of any such Restricted Subsidiary for such period shall be included in determining Consolidated Net Income;

(c) any gain (or loss), together with any related provisions for taxes on any such gain (or the tax effect of any such loss), realized during such period by Holdings or any of its Restricted Subsidiaries upon any Asset Sale or other disposition by Holdings or any of its Restricted Subsidiaries;

(d) any foreign currency translation gains or losses (including losses related to currency remeasurements of Indebtedness);

(e) non-cash gains and losses resulting from any reappraisal, revaluation or write-up or write-down of assets;

(f) unrealized gains and losses, and the impact of any revaluation, with respect to Hedging Obligations; and

(g) gains or losses due solely to the cumulative effect of any change in accounting principles (effected either through cumulative effect adjustment or retroactive application, in each case, in accordance with GAAP) and changes as a result of the adoption or modification of accounting policies during such period.

**“Consolidated Tax Expense”** shall mean, for any period, the tax expense (including, without limitation, federal, state, local, foreign, franchise, excise and foreign withholding, property and similar taxes) of Holdings and its Restricted Subsidiaries, including any penalties and interest relating therefrom or arising from any tax examinations for such period, determined on a consolidated basis in accordance with GAAP.

“**Consolidated Total Assets**” shall mean, as of any date, the total property and assets of Holdings and its Restricted Subsidiaries, determined in accordance with GAAP, as set forth on the consolidated balance sheet of Holdings most recently delivered pursuant to Section 5.01(a) or (b) as applicable (on a Pro Forma Basis after giving effect to any Permitted Acquisitions or any Investments or dispositions permitted hereunder or by the other Loan Documents).

“**Consolidated Total Funded Indebtedness**” shall mean, as of any date of determination, for Holdings and its Restricted Subsidiaries determined on a consolidated basis, the sum of, without duplication, (a) the aggregate principal amount of all funded Indebtedness for borrowed money, (b) all Purchase Money Obligations, (c) the principal portion of Capital Lease Obligations and (d) Letters of Credit (to the extent of any Unreimbursed Amounts thereunder) that are not paid when the same become due and payable. Notwithstanding the foregoing, in no event shall the following constitute “Consolidated Total Funded Indebtedness”: (i) obligations under any derivative transaction or other Hedging Agreement, (ii) undrawn Letters of Credit, (iii) Earn-Outs to the extent not then due and payable and if not recognized as debt on the balance sheet in accordance with GAAP, and (iv) leases that would be characterized as operating leases in accordance with GAAP on the date hereof.

“**Consolidated Transaction Costs**” shall mean the fees, premiums, costs, expenses, accruals and reserves (including rationalization, legal, tax, structuring and other costs and expenses) incurred by Holdings and its Restricted Subsidiaries, whether before or after the Closing Date in connection with the Transactions or the Closing Date Acquisition Documents.

“**Contingent Obligation**” shall mean, as to any person, any obligation or agreement of such person guaranteeing or intended to guarantee any Indebtedness, leases, Dividends or other obligations (“**primary obligations**”) of any other person (the “**primary obligor**”) in any manner, whether directly or indirectly, including any such obligation or agreement of such person, whether or not contingent, (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor; (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation; (d) with respect to bankers’ acceptances, letters of credit and similar credit arrangements, until a reimbursement obligation arises (which reimbursement obligation shall constitute Indebtedness); or (e) otherwise to assure or hold harmless the holder of such primary obligation against loss in respect thereof; *provided, however*, that the term “Contingent Obligation” shall not include endorsements of instruments for deposit or collection in the ordinary course of business or any product warranties or other similar contingent obligations incurred in the ordinary course of business, including indemnities. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made (or, if less, the maximum amount of such primary obligation for which such person may be liable, whether singly or jointly, pursuant to the terms of the instrument evidencing such Contingent Obligation) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such person is required to perform thereunder) as determined by such person in good faith.

“**Control**” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person, whether through the ownership of voting securities, by contract or otherwise, and the terms “**Controlling**” and “**Controlled**” shall have meanings correlative thereto.

“**Controlled Investment Affiliate**” shall mean, as to any person, any other person which directly or indirectly is in Control of, is Controlled by, or is under common Control with, such person and is organized by such person (or any person Controlling such person) primarily for making equity or debt investments in Holdings or its direct or indirect parent company or other portfolio companies of such person.

“**Credit Agreement Refinancing Indebtedness**” shall mean (a) Permitted Pari Passu Refinancing Debt, (b) Permitted Junior Refinancing Debt, or (c) Permitted Unsecured Refinancing Debt obtained pursuant to a Refinancing Amendment, in each case, issued, incurred or otherwise obtained (including by means of the extension or renewal of existing Indebtedness) in exchange for, or to extend, renew, replace or refinance, in whole or part, existing Term Loans, Incremental Term Loans, Refinancing Term Loans, Revolving Loans, Incremental Revolving Loans or Refinancing Revolving Loans hereunder (including any successive Credit Agreement Refinancing Indebtedness) (“**Refinanced Debt**”); *provided* that (i) such extending, renewing or refinancing Indebtedness is in an original aggregate principal amount not greater than (A) the aggregate principal amount of the Refinanced Debt, plus (B) accrued and unpaid interest thereon, any fees, premiums, accrued interest associated therewith, or other reasonable amount paid, and fees, costs and expenses, commissions or underwriting discounts incurred in connection therewith, (ii) the terms applicable to such extending, renewing or refinancing Indebtedness comply with the Required Debt Terms and (iii) such Refinanced Debt (other than unasserted contingent indemnification or reimbursement obligations and letters of credit that have been cash collateralized or backstopped in accordance with the terms thereof) shall be repaid, defeased or satisfied and discharged, and (unless otherwise agreed by all Lenders holding such Refinanced Debt) all accrued interest, fees and premiums (if any) in connection therewith shall be paid, on the date such Credit Agreement Refinancing Indebtedness is issued, incurred or obtained.

“**Credit Extension**” shall mean, as the context may require, (i) the making of a Loan by a Lender or (ii) the issuance of any Letter of Credit, or the amendment, extension or renewal of any existing Letter of Credit, by the Issuing Bank.

“**Credit Parties**” shall mean the Borrower and the Guarantors; and “**Credit Party**” shall mean any one of them.

“**Credit Party Insolvency**” shall have the meaning assigned to such term in Section 10.04(b)(v)(C).

“**Cumulative Amount**” shall mean, on any date of determination (the “**Reference Date**”), the sum of (without duplication):

(a) \$17,000,000; *plus*

(b) the Available Retained ECF Amount; *plus*

(c) an amount determined on a cumulative basis equal to the Net Cash Proceeds received by Holdings (and contributed as common capital or Qualified Capital Stock to the Borrower) from Eligible Equity Issuances after the Closing Date (other than Equity Cure Contributions), to the extent Not Otherwise Applied; *plus*

(d) an amount determined on a cumulative basis equal to the Net Cash Proceeds received by Holdings (and contributed as common capital or Qualified Capital Stock to the Borrower) from Indebtedness or Disqualified Capital Stock issued after the Closing Date and subsequently converted or exchanged into Qualified Capital Stock of Holdings or any direct or indirect parent company of Holdings, to the extent Not Otherwise Applied; *plus*

(e) the aggregate amount of Declined Proceeds held by any Group Member during the period from the Business Day immediately following the Closing Date through and including the Reference Date; *plus*

(f) to the extent not already included in the calculation of Consolidated Net Income of Holdings and its Restricted Subsidiaries, the aggregate amount of all returns, dividends, profits and other distributions and similar amounts received in cash by any Group Member from any Investments (including any joint ventures or Unrestricted Subsidiaries) during the period from the Business Day immediately following the Closing Date through and including the Reference Date solely to the extent the original Investment therein was made using the Cumulative Amount and solely up to the original amount of the Investment therein made using the Cumulative Amount, to the extent Not Otherwise Applied; *plus*

(g) to the extent not already included in the calculation of Consolidated Net Income of Holdings and its Restricted Subsidiaries, the aggregate amount of all Net Cash Proceeds received by any Group Member in connection with the sale, transfer or other disposition of its ownership interest in any Investments (including any joint ventures or Unrestricted Subsidiaries) during the period from the Business Day immediately following the Closing Date through and including the Reference Date solely to the extent the original Investment therein was made using the Cumulative Amount and solely up to the original amount of the Investment therein made using the Cumulative Amount, to the extent Not Otherwise Applied; *plus*

(h) in the event that the Borrower re-designates any Unrestricted Subsidiary as a Restricted Subsidiary after the Closing Date (which, for purposes hereof, shall be deemed to also include (A) the merger, consolidation, liquidation or similar amalgamation of any Unrestricted Subsidiary into the Borrower or any Restricted Subsidiary, so long as the Borrower or such Restricted Subsidiary is the surviving Person, and (B) the transfer of any assets of an Unrestricted Subsidiary to the Borrower or any Restricted Subsidiary), the lower of (x) the fair market value (as determined in good faith by the Borrower) of the Investment in such Unrestricted Subsidiary or such transferred assets at the time of such re-designation and (y) the amount of the original Investment in such Unrestricted Subsidiary, in each case to the extent such Investment was made using the Cumulative Amount; *minus*

(i) the aggregate amount of Investments made pursuant to Section 6.03(x) using the Cumulative Amount, (ii) the aggregate amount of Dividends made pursuant to Section 6.06(f) using the Cumulative Amount, (iii) the aggregate amount of prepayments of indebtedness pursuant to Section 6.09(a) using the Cumulative Amount, (iv) the aggregate amount of intercompany Investments made pursuant to Section 6.01(m)(iii)(y) or Section 6.03(f)(iii)(y) using the Cumulative Amount and (v) the aggregate amount of Total Consideration paid pursuant to clause (iv)(y) of the definition of “Permitted Acquisition” using the Cumulative Amount, in each case during the period from and including the Business Day immediately following the Closing Date through and including the Reference Date (without taking account of the intended usage of the Cumulative Amount on such Reference Date).

“**Cure Amount**” shall have the meaning assigned to such term in Section 8.03(a).

“**Cure Expiration Date**” shall have the meaning assigned to such term in Section 8.03(a).

“**Cure Quarter**” shall have the meaning assigned to such term in Section 8.03(a).

“**Debt Issuance**” shall mean the incurrence by Holdings or any of its Restricted Subsidiaries of any Indebtedness after the Closing Date (other than Indebtedness permitted by Section 6.01 (other than Credit Agreement Refinancing Indebtedness which shall, for the avoidance of doubt, constitute a Debt Issuance)).

“**Debtor Relief Law**” shall mean the Bankruptcy Code (including Title 11 of the United States Code, as now constituted or hereafter amended) and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and any other matters that are set out as qualifications or reservations as to matters of law of general application in any legal opinion provided in connection with this Agreement.

“**Debt Service**” shall mean, for any period, Consolidated Interest Expense and any other cash interest expense for such period plus principal amortization (and other mandatory prepayments and repayments (whether pursuant to this Agreement or otherwise)) of all Indebtedness for such period (including, without limitation, the implied principal component of payments made in respect of Capital Lease Obligations).

“**Declined Proceeds**” shall have the meaning assigned to such term in Section 2.10(i).

“**Default**” shall mean any event, occurrence or condition which is, or upon notice, lapse of time or both would constitute, an Event of Default.

“**Default Excess**” shall mean, with respect to any Defaulting Lender, the excess, if any, of such Defaulting Lender’s Pro Rata Percentage of the aggregate outstanding principal amount of Revolving Loans of all Revolving Lenders (calculated as if all Defaulting Lenders (including such Defaulting Lender) had funded all of their respective defaulted Revolving Loans) over the aggregate outstanding principal amount of Revolving Loans of such Defaulting Lender.

“**Default Rate**” shall have the meaning assigned to such term in Section 2.06(c).

**“Defaulting Lender”** shall mean any Lender, as reasonably determined by the Administrative Agent in a manner consistent with similar determinations by the Administrative Agent in respect of other Lenders, that (a) has failed to fund any portion of its Loans, Incremental Loans or participations in Letters of Credit required to be funded by it hereunder or under any commitment to fund an Incremental Loan within two (2) Business Days of the date on which such amount is required to be funded by it hereunder or under any commitment to fund an Incremental Loan unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s reasonable and good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (b) has notified the Administrative Agent, any Lender and/or the Borrower in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under other agreements in which it has committed to extend credit (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder or thereunder and states that such position is based on such Lender’s reasonable and good faith determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within two (2) Business Days after request by the Administrative Agent or the Borrower, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Loans or Incremental Loans and participations in then outstanding Letters of Credit, (d) has otherwise failed to pay over to the Administrative Agent, the Issuing Bank or any other Lender any other amount required to be paid by it hereunder within one (1) Business Day of the date when due, unless such payment is the subject of a good faith dispute, or (e) in the case of a Lender that has a Commitment or LC Exposure outstanding at such time, shall have, or shall be the Subsidiary of any person that shall have, (i) taken any action or been the subject of any action or proceeding of a type described in Section 8.01(g) or Section 8.01(h) (or any comparable proceeding initiated by a regulatory authority having jurisdiction over such Lender or such person) or (ii) become the subject of a Bail-In Action; *provided* that the Administrative Agent and the Borrower may declare (A) by joint notice to the Lenders that a Defaulting Lender is no longer a “Defaulting Lender”, or (B) that a Lender is not a Defaulting Lender, if in the case of both clauses (A) and (B) the Administrative Agent and the Borrower each determines, in its sole respective discretion, that (x) the circumstances that resulted in such Lender becoming a “Defaulting Lender” no longer apply, or (y) it is satisfied that such Lender will continue to perform its funding or issuance obligations hereunder. For the avoidance of doubt, a Lender shall not be deemed to be a Defaulting Lender solely by virtue of (i) the ownership or acquisition of any Equity Interest in such Lender or its parent by a Governmental Authority, unless such ownership interest results in or provides such person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such person (or such governmental authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such person or its parent entity or (ii) such Lender becoming subject to an Undisclosed Administration.

**“Designated Noncash Consideration”** shall mean as of any date of determination the fair market value at the time received (as determined in good faith by the Borrower) of any non-cash consideration received by Holdings or a Restricted Subsidiary in connection with an Asset Sale that is designated in writing as Designated Noncash Consideration, less the amount of cash or Cash Equivalents received in connection with a subsequent payment, redemption, retirement, sale or other disposition of such Designated Noncash Consideration. A particular item of Designated Noncash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with Section 6.05.

**“Disqualified Capital Stock”** shall mean any Equity Interest which, by its terms (or by the terms of any security or any other Equity Interests into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition, would (i) mature or be mandatorily redeemable (other than solely for Qualified Capital Stock) pursuant to a sinking fund obligation or otherwise (except as a result of a customarily defined change of control or asset sale and only so long as any rights of the holders thereof after such change of control or asset sale shall be subject to the Payment in Full of the Obligations and the termination of the Revolving Commitments, (ii) be redeemable at the option of the holder thereof (other than solely for Qualified Capital Stock), in whole or in part, (iii) provide for scheduled payments of dividends in cash or (iv) be or become convertible into or exchangeable for Indebtedness or any other Disqualified Capital Stock, in whole or in part, in each case on or prior to the date that is 91 days after the Latest Maturity Date at the time of issuance.

**“Disqualified Institutions”** shall mean (a) those Persons that are competitors of Holdings and its Subsidiaries to the extent identified by the Borrower or the Sponsor to the Administrative Agent by name in writing from time to time, (b) those banks, financial institutions and other Persons separately identified by name by the Borrower or the Sponsor to the Administrative Agent in writing on or before the Closing Date or (c) in the case of clause (a) or (b), any of their respective Affiliates (other than Bona Fide Debt Funds) that are (x) clearly identifiable as Affiliates on the basis of their name or (y) identified by name by the Borrower (or by the Sponsor, on the Borrower’s behalf) to the Administrative Agent in writing from time to time; *provided* that any such writing referred to in clause (a) or (c) above shall not become effective until one (1) Business Day after the delivery thereof to the Administrative Agent; *provided, further*, that the foregoing shall not apply retroactively to disqualify any parties that have previously acquired an assignment or participation interest in the Loans to the extent such party was not a Disqualified Institution at the time of the applicable assignment or participation, as the case may be; *provided, further*, that the list of Disqualified Institutions shall not be delivered by the Administrative Agent to any other Person, except that, upon an inquiry by any Lender to the Administrative Agent as to whether a specific potential assignee or prospective participant is a Disqualified Institution, the Administrative Agent shall be permitted to disclose to such Lender whether such specific potential assignee or prospective Participant is a Disqualified Institution).

**“Dividend”** shall mean, with respect to any person, that such person has declared or paid a dividend or returned any equity capital to the holders of its Equity Interests or authorized or made any other distribution, payment or delivery of property (other than Qualified Capital Stock of such person) or cash to the holders of its Equity Interests as such, or redeemed, retired, purchased or otherwise acquired, directly or indirectly, for consideration any of its Equity Interests outstanding (or any options or warrants issued by such person with respect to its Equity Interests), or set aside or otherwise reserved, directly or indirectly, any funds for any of the foregoing purposes, or shall have permitted any of its Subsidiaries to purchase or otherwise acquire for consideration any of the outstanding Equity Interests of such person (or any options or warrants issued by such person with respect to its Equity Interests).



“Dollars,” “dollars” or “\$” shall mean lawful money of the United States.

“Domestic Subsidiary” shall mean any Subsidiary that is organized under the laws of the United States, any state thereof or the District of Columbia.

“Earn-Outs” shall mean, with respect to a Permitted Acquisition or any other acquisition of any assets or Property by any Group Member permitted hereunder, that portion of the purchase consideration therefor and that portion of all other payments and liabilities (whether payable in cash or by exchange of Equity Interests or of any Property or otherwise), directly or indirectly, payable by any Group Member in exchange for, or as part of, or in connection with, such Permitted Acquisition or such other acquisition, as the case may be, that is deferred for payment to a future time after the consummation of such Permitted Acquisition or such other acquisition, as the case may be, and includes any and all payments representing the purchase price and any assumptions of Indebtedness, Earn-Outs and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any person or business.

“ECF Payment Amount” shall have the meaning assigned to such term in Section 2.10(f).

“EEA Financial Institution” shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” shall mean any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” shall mean (a) if the assignment does not include the assignment of a Revolving Commitment, (i) any Lender, (ii) an Affiliate of any Lender, (iii) an Approved Fund, (iv) a Sponsor Investor to the extent permitted by Section 10.04(b)(v), (v) Affiliated Debt Funds, and (vi) any other person approved by the Administrative Agent and the Borrower (each such consent not to be unreasonably withheld or delayed; it being understood that the Borrower prohibiting assignments to Disqualified Institutions is reasonable) and (b) if the assignment includes the assignment of a Revolving Commitment, (i) any Revolving Lender, (ii) an Affiliate of any Revolving Lender, (iii) an Approved Fund with respect to a Revolving Lender and (iv) any other person approved by the Administrative Agent, the Issuing Bank, and the Borrower (each such approval not to be unreasonably withheld or delayed; it being understood that the Borrower prohibiting assignments to Disqualified Institutions is reasonable); *provided* that, in the

case of the foregoing clauses (a) and (b), (1) no approval of the Borrower (other than with respect to Disqualified Institutions) shall be required during the continuance of an Event of Default (x) on or prior to June 30, 2021, under Section 8.01(a), (b), (d) (solely with respect to the failure to comply with Section 6.08), (g), or (h)) and (y) after June 30, 2021, under Section 8.01(a), (b), (g), or (h), (2) to the extent the consent of the Borrower is required for any assignment, such consent shall be deemed to have been given (except with respect to Disqualified Institutions) if the Borrower has not responded within ten (10) Business Days of a written request for such consent, (3) no approval of the Borrower shall be required with respect to assignment of Term Loans to another Lender, an Affiliate of any Lender or an Approved Fund, (4) no approval of the Borrower shall be required with respect to assignment of a Revolving Commitment to another Revolving Lender, an Affiliate of any Revolving Lender or an Approved Fund with respect to a Revolving Lender, and (5) notwithstanding anything to the contrary herein, “Eligible Assignee” shall not include at any time any Disqualified Institutions (unless consented to in writing by the Borrower in its sole discretion), any Defaulting Lender, or any natural person.

“**Eligible Equity Issuance**” shall mean an issuance and sale of Qualified Capital Stock of Holdings following the Closing Date (other than to the extent applied or to be applied as a Cure Amount) to the equity holders of Holdings, to the extent the Net Cash Proceeds thereof shall be, within 180 days of the consummation of such issuance and sale, contributed as a cash contribution to the Credit Parties (other than Holdings).

“**Employee Benefit Plan**” shall mean each “employee benefit plan” (as such term is defined in Section 3(3) of ERISA) that is maintained or contributed to by, or required to be contributed by, a Group Member or with respect to which a Group Member has any liability (including on account of an ERISA Affiliate).

“**Environment**” shall mean ambient air, surface water and groundwater (including potable water, navigable water and wetlands) and the land surface.

“**Environmental Claim**” shall mean any claim, notice, demand, order, action, suit or proceeding relating to any investigation, remediation, removal, cleanup, response, corrective action, penalties or other costs (including damages, natural resources damages, contribution, indemnification, cost recovery, compensation or injunctive relief) resulting from, related to or arising out of (i) the presence, Release or threatened Release of Hazardous Material, (ii) any violation or alleged violation of any Environmental Law, or (iii) any actual or alleged exposure to Hazardous Materials.

“**Environmental Law**” shall mean all applicable Requirements of Law relating to pollution or protection of the Environment, or to the Release or threatened Release of Hazardous Materials.

“**Environmental Permit**” shall mean any permit, license, approval, registration, consent or other authorization required by or from a Governmental Authority under Environmental Law.

“**Equity Cure Contribution**” shall have the meaning assigned to such term in Section 8.03(a).

**“Equity Funded Portion”** shall mean an amount equal to (i) the working capital or other purchase price adjustment with respect to any acquisition or investment times (ii) the percentage of the consideration for such acquisition or investment that is financed with the proceeds of Eligible Equity Issuances and equity contributions to Holdings.

**“Equity Interest”** shall mean, with respect to any person, any and all shares, interests, participations or other equivalents, including membership interests (however designated, whether voting or nonvoting), of equity of such person, including warrants, options and other rights to purchase and including, if such person is a limited liability company, membership interests or if such person is a partnership, partnership interests (whether general or limited) and any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of property of, such partnership, whether outstanding on the date hereof or issued after the Closing Date; *provided* that “Equity Interest” shall not include at any time (i) debt securities convertible or exchangeable into such equity or (ii) Earn-Outs.

**“Equity Investors”** shall mean the Sponsor and its Controlled Investment Affiliates and limited partners.

**“Equity Issuance”** shall mean, without duplication, (a) any issuance or sale by Holdings of any Equity Interests in Holdings (including any Equity Interests issued upon the exercise of any warrant or option or equity-based derivative) or any warrants or options or equity-based derivatives to purchase Equity Interests of Holdings or (b) any contribution to the capital of Holdings.

**“ERISA”** shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time.

**“ERISA Affiliate”** shall mean, with respect to any person, any trade or business (whether or not incorporated) that, together with such person, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 412 of the Code, Section 414(m) or (o) of the Code.

**“ERISA Event”** shall mean (a) any “reportable event,” as defined in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Plan (other than an event for which the 30-day notice period is waived by regulation); (b) with respect to a Plan, the failure to satisfy the minimum funding standard of Section 412 or 430 of the Code and Section 302 or 303 of ERISA, whether or not waived; (c) the failure to make by its due date a required installment under Section 430(j) of the Code or Section 303(j) of ERISA with respect to any Plan or the failure to make any required contribution to a Multiemployer Plan; (d) the determination that any Plan is, or is expected to be, in “at risk” status (as defined in Section 430 of the Code or Section 303 of ERISA); (e) the incurrence by any Group Member or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (f) the receipt by any Group Member or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to the intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan, or the occurrence of any event or condition which would reasonably be expected to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Plan; (g) the incurrence by any Group Member or ERISA Affiliate of

liability resulting from the complete or partial withdrawal (within the meanings of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan; (h) the receipt by any Group Member or its ERISA Affiliates of any notice concerning a determination that a Multiemployer Plan is, or is reasonably expected to be, insolvent (within the meaning of Section 4245 of ERISA) or in “critical” or “endangered” status, under Section 432 of the Code or Section 305 of ERISA; (i) the withdrawal of any Group Member or ERISA Affiliate from a Plan subject to Section 4063 of ERISA during a plan year in which such entity was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (j) the occurrence of a non-exempt prohibited transaction (within the meaning of Section 4975 of the Code or Section 406 of ERISA) which would reasonably be expected to result in liability to any Group Member (other than any non-exempt prohibited transaction resulting from any Loan or any Letter of Credit being funded with “plan assets” (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans); (k) the assertion of a material claim (other than routine claims for benefits that are being processed in the ordinary course of plan administration) against any Employee Benefit Plan or the assets thereof, or against any Group Member or ERISA Affiliate in connection with any Employee Benefit Plan; or (l) a Foreign Benefit Event.

“**EU Bail-In Legislation Schedule**” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“**Eurodollar Borrowing**” shall mean a Borrowing comprised of Eurodollar Loans.

“**Eurodollar Loan**” shall mean any Eurodollar Revolving Loan or Eurodollar Term Loan.

“**Eurodollar Revolving Borrowing**” shall mean a Borrowing comprised of Eurodollar Revolving Loans.

“**Eurodollar Revolving Loan**” shall mean any Revolving Loan bearing interest at a rate determined by reference to the Adjusted LIBO Rate in accordance with the provisions of Article II.

“**Eurodollar Term Loan**” shall mean any Term Loan bearing interest at a rate determined by reference to the Adjusted LIBO Rate in accordance with the provisions of Article II.

“**Event of Default**” shall have the meaning assigned to such term in Section 8.01.

“**Excess Amount**” shall have the meaning assigned to such term in Section 2.10(h).

“**Excess Cash Flow**” shall mean, for any Excess Cash Flow Period, Consolidated EBITDA for such Excess Cash Flow Period, minus, without duplication:

(a) Debt Service and other payments of Indebtedness (including, without limitation, related fees and expenses, to the extent paid in cash and to the extent such payments are permitted hereunder, other than, without duplication (i) voluntary prepayments of Loans pursuant to Section 2.10(a), (ii) the amount of any reduction in the outstanding amount of any Term Loans or Incremental Term Loans resulting from any assignment made in accordance with Section 10.04(b)(vii) and (iii) prepayments pursuant to Section 6.09(a)) of Holdings and its Restricted Subsidiaries;

(b) Capital Expenditures made from sources other than the proceeds of long-term Indebtedness (other than revolving Indebtedness to the extent intended to be repaid from operating cash flow) (excluding Capital Expenditures made in such Excess Cash Flow Period where such Capital Expenditures were excluded from the calculation of Excess Cash Flow pursuant to the following clause (c) in a prior Excess Cash Flow Period) that are paid in cash;

(c) Capital Expenditures made or to be made from sources other than the proceeds of Indebtedness (other than revolving Indebtedness to the extent intended to be repaid from operating cash flow) that Holdings or any of its Restricted Subsidiaries shall, during such Excess Cash Flow Period, become obligated to make but that are not made during such Excess Cash Flow Period (limited to those committed to be made within the next six months after the end of such Excess Cash Flow Period);

(d) the aggregate amount of payments made by Holdings and its Restricted Subsidiaries from sources other than the proceeds of Indebtedness (other than revolving Indebtedness to the extent intended to be repaid from operating cash flow) during such Excess Cash Flow Period (or committed by Holdings or its Restricted Subsidiaries to be paid in cash within the next six months after the end of such Excess Cash Flow Period) (other than Capital Expenditures) and capitalized or otherwise not expensed in accordance with GAAP during such Excess Cash Flow Period;

(e) the aggregate amount of Consolidated Tax Expense (including any direct or indirect distributions for the payment of such Consolidated Tax Expense) paid or payable in cash with respect to such Excess Cash Flow Period and, if payable, for which reserves have been established to the extent required under GAAP;

(f) (x) the aggregate amount of consideration paid by Holdings and its Restricted Subsidiaries in cash during such Excess Cash Flow Period (or committed to be paid in cash within the next six (6) months after the end of such Excess Cash Flow Period) with respect to Permitted Acquisitions or other Investments made from sources other than the proceeds of Indebtedness (other than revolving Indebtedness to the extent intended to be repaid from operating cash flow) (including, without limitation, any purchase price adjustments (including working capital adjustments), deferred purchase consideration, Earn-Out payments (and payments of seller notes converted from Earn-Outs), holdback amounts and indemnity payments with respect thereto) but excluding intercompany Investments and Investments in cash or Cash Equivalents, to the extent paid in cash and (y) to the extent not deducted in determining Consolidated Net Income for such period, any amounts paid by Holdings and its Restricted Subsidiaries during such period that are reimbursable by the seller, or other unrelated third party, in connection with a Permitted Acquisition or other Investment permitted under Section 6.03(a), (b), (i), (l), (m), (r), (t), (v), (w), (x) (to the extent made in reliance on clause (a) of the definition of "Cumulative Amount"), (y), (bb), (cc), (ee) or (ff);

(g) the absolute value of, if negative, (x) the amount of Net Working Capital at the end of the prior Excess Cash Flow Period (or the beginning of the Excess Cash Flow Period in the case of the first Excess Cash Flow Period) *minus* (y) the amount of Net Working Capital at the end of such Excess Cash Flow Period;

(h) the aggregate amount of cash items added back to Consolidated EBITDA in the calculation of Consolidated EBITDA for such period to the extent paid in cash by Holdings and its Restricted Subsidiaries during such period;

(i) [reserved];

(j) the aggregate amount added back to Consolidated EBITDA in the calculation of Consolidated EBITDA for such period pursuant to clauses (f) and (s) thereof;

(k) any Insurance Loss Addback for such period (and, for the avoidance of doubt, if Insurance Loss Addbacks are made in the calculation of Consolidated EBITDA for an Excess Cash Flow Period, amounts actually reimbursed or received by the Borrower or its Restricted Subsidiaries in a later Excess Cash Flow Period in respect of any insurance, indemnity or reimbursement recovery that was the subject of such Insurance Loss Addback shall be included in the calculation of Excess Cash Flow for such later Excess Cash Flow Period);

(l) the aggregate amount of non-cash adjustments to Consolidated EBITDA for periods prior to the beginning of the current Excess Cash Flow Period to the extent paid in cash by Holdings and its Restricted Subsidiaries during such Excess Cash Flow Period;

(m) the aggregate amount of Dividends and other payments made from sources other than the proceeds of Indebtedness (other than revolving Indebtedness to the extent intended to be repaid from operating cash flow) permitted by Section 6.06 (other than clauses (a), (f)(i), (f)(ii) (unless such payments are made pursuant to clause (a) of the Cumulative Amount), (g) and (i) of Section 6.06), during such Excess Cash Flow Period (or committed to be paid in cash within the next six months after the end of such Excess Cash Flow Period); and

(n) to the extent added to determine Consolidated EBITDA pursuant to clause (j), (k) or (l) of the definition of Consolidated EBITDA, such amounts with respect to which no cash payment to Holdings or any of its Restricted Subsidiaries was received during such Excess Cash Flow Period;

*provided* that any amount deducted pursuant to any of the foregoing clauses that will be paid after the close of such Excess Cash Flow Period shall not be deducted again in a subsequent Excess Cash Flow Period; *plus*, without duplication:

(i) if positive, (x) the amount of Net Working Capital at the end of the prior Excess Cash Flow Period (or the beginning of the Excess Cash Flow Period in the case of the first Excess Cash Flow Period) *minus* (y) the amount of Net Working Capital at the end of such Excess Cash Flow Period;

(ii) cash items of income during such Excess Cash Flow Period not included in calculating Consolidated EBITDA;

(iii) any permitted Capital Expenditures referred to in clause (c) above or permitted payments in cash referred to above in clause (d), (f) or (m) that are committed to be made within the next six months after the end of such Excess Cash Flow Period, to the extent not so made during such six month period;

(iv) any cash payment that was actually received by Holdings or any Restricted Subsidiary during such Excess Cash Flow Period with respect to which a deduction was taken pursuant to clause (n) above during the previous Excess Cash Flow Period; and

(v) to the extent subtracted in determining Consolidated EBITDA, all items that did not result in a cash payment by Holdings or any of its Subsidiaries on a consolidated basis during such Excess Cash Flow Period; *provided* that any such cash payment subsequently made shall be excluded in the calculation of Excess Cash Flow for the subsequent period when made.

For purposes of calculating Excess Cash Flow for any Excess Cash Flow Period, for each Permitted Acquisition or other similar acquisition permitted hereunder consummated during such Excess Cash Flow Period, (x) the Consolidated EBITDA of a target of any such Permitted Acquisition or other similar acquisition shall be included in such calculation only from and after the first day of the first full fiscal quarter to commence following the date of the consummation of such Permitted Acquisition or other similar acquisition and (y) for the purposes of calculating Net Working Capital, the (A) total assets of a target of such Permitted Acquisition or other similar acquisition (other than cash and Cash Equivalents), as calculated as at the date of consummation of the applicable Permitted Acquisition or other similar acquisition, which may properly be classified as current assets on a consolidated balance sheet of Holdings and its Restricted Subsidiaries in accordance with GAAP (assuming, for the purpose of this clause (A), that such Permitted Acquisition or other similar acquisition has been consummated) and (B) the total liabilities of Holdings and its Restricted Subsidiaries, as calculated as at the date of consummation of the applicable Permitted Acquisition or other similar acquisition, which may properly be classified as current liabilities (other than the current portion of any long term liabilities and accrued interest thereon) on a consolidated balance sheet of Holdings and its Restricted Subsidiaries in accordance with GAAP (assuming, for the purpose of this clause (B), that such Permitted Acquisition or other similar acquisition has been consummated), shall, in the case of both immediately preceding clauses (A) and (B), be calculated as the difference between the Net Working Capital at the end of the applicable Excess Cash Flow Period from the date of consummation of the Permitted Acquisition or other similar acquisition.

“**Excess Cash Flow Period**” shall mean each fiscal year of Holdings starting with the fiscal year ending December 31, 2019.

“**Excess Net Cash Proceeds**” shall have the meaning assigned to such term in Section 2.10(c)(i).

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

**“Excluded Equity Interests”** shall mean Equity Interests (a) in excess of 65% of the Voting Stock issued by any Excluded Foreign Subsidiary or CFC Holding Company, in each case, owned directly by a Credit Party, (b) in a joint venture which cannot be pledged without the consent of third parties, or the pledge of which is prohibited by the terms of, or would create a right of termination of one or more third parties under, any applicable Organizational Documents, joint venture agreement or shareholders’ agreement after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or other applicable law, (c) in Persons other than Wholly Owned Restricted Subsidiaries, (d) in any Immaterial Subsidiary, Unrestricted Subsidiary, not-for-profit Subsidiary, captive insurance entity or special purpose entity, (e) with respect to which the cost, burden or consequence of obtaining a security interest therein exceeds the practical benefit to the Lenders afforded thereby, as mutually and reasonably determined by the Administrative Agent and the Borrower, (f) with respect to which a pledge therein is prohibited or restricted by applicable law (including any requirement to obtain the consent of any governmental authority or third party) or impossible or impracticable (as mutually and reasonably determined by the Administrative Agent and the Borrower) to obtain under applicable law, and (g) with respect to which a pledge therein would result in adverse tax consequences that are not *de minimis* as reasonably determined by the Borrower and the Administrative Agent; *provided* that in each case set forth above, such equity will immediately cease to constitute Excluded Equity Interests when the relevant property ceases to meet this definition and, with respect to any such equity, a security interest under any applicable Security Document shall attach immediately and automatically without further action.

**“Excluded Foreign Subsidiary”** shall mean (i) any Foreign Subsidiary that is a CFC and (ii) any Foreign Subsidiary of a CFC described in clause (i) hereof.

**“Excluded Property”** shall have the meaning assigned to such term in the Security Agreement.

**“Excluded Subsidiary”** shall mean (a) any Restricted Subsidiary that is not a Wholly Owned Subsidiary, (b) any Excluded Foreign Subsidiary, (c) any Immaterial Subsidiary, (d) any Unrestricted Subsidiary, (e) any not-for-profit Subsidiary, (f) any Excluded U.S. Subsidiary, (g) any captive insurance entity, (h) any special purpose entity, (i) any merger Subsidiary formed in connection with a Permitted Acquisition so long as such merger Subsidiary is merged out of existence pursuant to such Permitted Acquisition within sixty days of its formation thereof or such later date as permitted by the Administrative Agent in its reasonable discretion, (j) any Subsidiary to the extent a Guarantee or other guarantee of the Obligations is prohibited or restricted by any contractual obligation as in existence on the Closing Date or at the time such Person becomes a Subsidiary (in each case, not entered into in contemplation hereof and for so long as such prohibition or restriction remains in effect) or by applicable Requirements of Law (including any requirement to obtain Governmental Authority or third party consent, license or authorization unless such consent, license or authorization has been obtained), (k) any Restricted Subsidiary acquired pursuant to a Permitted Acquisition or other Investment that has assumed secured Indebtedness not incurred in contemplation of such Permitted Acquisition or other Investment and any Restricted Subsidiary thereof that guarantees such secured Indebtedness, in each case, to the extent (but only for so long as) such secured Indebtedness prohibits such Restricted Subsidiary from becoming a Guarantor, (l) any Subsidiary to the extent the Administrative Agent and the Borrower mutually and reasonably determine the cost and/or burden



of obtaining a Guarantee outweigh the benefit thereof to the Lenders, and (m) any Subsidiary to the extent the Administrative Agent and the Borrower reasonably determine that a Guarantee by such Subsidiary would result in adverse tax consequences that are not *de minimis*; *provided* that the Borrower shall not be an Excluded Subsidiary; *provided* further that the Borrower may, in its sole discretion, designate any Subsidiary that otherwise qualifies as an “Excluded Subsidiary” pursuant to any one or more of clauses (a) through (m) above as not being an Excluded Subsidiary by written notice to the Administrative Agent and, following such designation, may (so long as at such time no Default or Event of Default shall have occurred and be continuing and such Subsidiary otherwise qualifies as an Excluded Subsidiary) re-designate such Subsidiary as an Excluded Subsidiary by written notice to the Administrative Agent, upon which re-designation such Subsidiary shall be automatically released from its Guarantee.

“**Excluded Swap Obligation**” shall mean, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a security interest pursuant to the Security Documents to secure, such Swap Obligation (or any guarantee thereof) is or would otherwise have become illegal or unlawful under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guarantee of such Guarantor or the grant of such security interest would otherwise have become effective with respect to such related Swap Obligation but for such Guarantor’s failure to constitute an “eligible contract participant” at such time. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof).

“**Excluded Taxes**” shall mean, with respect to any Recipient of any payment to be made by or on account of any obligation of any Credit Party under any Loan Document, (a) Taxes imposed on or measured by such Recipient’s overall net income (however denominated), franchise Taxes imposed on it (in lieu of net income Taxes) and branch profits Taxes imposed on it, in each case, (i) by any jurisdiction (or any political subdivision thereof) as a result of the Recipient being organized or having its principal office or, in the case of any Lender, its applicable lending office, in such jurisdiction or (ii) that are Other Connection Taxes, (b) any U.S. federal withholding Tax to the extent imposed on amounts payable to a Recipient under a law, rule, regulation or treaty in effect at the time such Recipient becomes a party hereto (or designates a new lending office), except (x) to the extent that such Recipient (or its assignor, if any) was entitled, immediately prior to the designation of a new lending office (or assignment), to receive additional amounts or indemnity payments with respect to such withholding Tax pursuant to Section 2.15 or (y) if such Recipient is an assignee pursuant to a request by the Borrower under Section 2.16, (c) any withholding Tax that is attributable to such Recipient’s failure to comply with Section 2.15(e), (d) any withholding Tax imposed under FATCA.

“**Excluded U.S. Subsidiary**” shall mean (a) any Domestic Subsidiary of an Excluded Foreign Subsidiary or (b) any CFC Holding Company; *provided* that the Borrower shall not be an Excluded U.S. Subsidiary.

“**Executive Order**” shall have the meaning assigned to such term in [Section 3.19](#).

“**Existing Credit Facilities**” shall mean collectively, the Existing Loan and Security Agreement and the Existing Mezzanine Loan and Security Agreement.

“**Existing Lien**” shall have the meaning assigned to such term in [Section 6.02\(c\)](#).

“**Existing Loan and Security Agreement**” shall mean that certain Amended and Restated Loan and Security Agreement, dated as of June 9, 2017, by and among Silicon Valley Bank and IAS (as amended, restated or otherwise modified).

“**Existing Loans**” shall have the meaning assigned to such term in [Section 2.21\(a\)](#).

“**Existing Mezzanine Loan and Security Agreement**” shall mean that certain Mezzanine Loan and Security Agreement, dated as of July 19, 2017, by and among Silicon Valley Bank and IAS (as amended, restated or otherwise modified).

“**Existing Tranche**” shall have the meaning assigned to such term in [Section 2.21\(a\)](#).

“**Extended Loans**” shall have the meaning assigned to such term in [Section 2.21\(a\)](#).

“**Extended Tranche**” shall have the meaning assigned to such term in [Section 2.21\(a\)](#).

“**Extending Lender**” shall have the meaning assigned to such term in [Section 2.21\(b\)](#).

“**Extension Amendment**” shall have the meaning assigned to such term in [Section 2.21\(c\)](#).

“**Extension Date**” shall have the meaning assigned to such term in [Section 2.21\(d\)](#).

“**Extension Election**” shall have the meaning assigned to such term in [Section 2.21\(b\)](#).

“**Extension Request**” shall have the meaning assigned to such term in [Section 2.21\(a\)](#).

“**FATCA**” shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version thereof to the extent such version is substantively comparable and not materially more onerous to comply with), any current or future regulations or other official governmental interpretations thereof and any intergovernmental agreements or any “FFI agreements” entered into pursuant to the foregoing.

**“Federal Funds Rate”** shall mean, for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System of the United States, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary to the next 1/100th of 1.00%) of the quotations for the day for such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

**“Fee Letter”** shall mean that certain fee letter, dated as of May 31, 2018, by and between Intermediate Holdings and the Lead Arrangers and Commitment Parties party thereto.

**“Fees”** shall mean the Commitment Fees, the Administrative Agent Fees, the LC Participation Fees, the Fronting Fees and all other fees set forth in Section 2.05.

**“Financial Covenants”** shall mean, as of any date of determination, the covenants set forth Section 6.08 which are then in effect as of such date.

**“Financial Officer”** of any person shall mean the chief financial officer, chief executive officer, vice president of finance, treasurer, assistant treasurer, controller, or, in each case, anyone acting in such capacity or any similar capacity.

**“Fixed Incremental Amount”** shall have the meaning assigned to such term in the definition of “Maximum Incremental Facilities Amount”.

**“Flood Insurance Laws”** shall mean, collectively, (i) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (iii) the National Flood Insurance Reform Act of 1994 as now or hereafter in effect or any successor statute thereto and (iv) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto.

**“Foreign Benefit Event”** shall mean, with respect to any Foreign Pension Plan, (a) the existence of unfunded liabilities in excess of the amount permitted under any applicable law, or in excess of the amount that would be permitted absent a waiver from a Governmental Authority, (b) the failure to make the required contributions or payments, under any applicable law, on or before the due date for such contributions or payments, (c) the receipt of a notice by a Governmental Authority relating to the intention to terminate any such Foreign Pension Plan or to appoint a trustee or similar official to administer any such Foreign Pension Plan, or alleging the insolvency of any such Foreign Pension Plan, (d) the incurrence of any liability by any Group Member under applicable law on account of the complete or partial termination of such Foreign Pension Plan or the complete or partial withdrawal of any participating employer therein, or (e) the occurrence of any transaction that is prohibited under any applicable law and that could reasonably be expected to result in the incurrence of any liability by any Group Member, or the imposition on any Group Member of any fine, excise tax or penalty resulting from any noncompliance with any applicable law.

**“Foreign Lender”** shall mean any Recipient that is not a “United States person” as defined in Section 7701(a)(30) of the Code.

**“Foreign Plan”** shall mean any employee benefit plan, program, policy, arrangement or agreement sponsored, maintained or contributed to by (or required to be contributed to by) any Group Member with respect to employees employed outside the United States.

**“Foreign Pension Plan”** shall mean any defined benefit pension maintained or contributed to by (or required to be contributed to by) any Group Member with respect to employees employed outside the United States.

**“Foreign Subsidiary”** shall mean a Subsidiary that is organized under the laws of a jurisdiction other than the United States, any state thereof or the District of Columbia.

**“Fronting Fee”** shall have the meaning assigned to such term in Section 2.05(c).

**“Fund”** shall mean any person that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

**“GAAP”** shall mean generally accepted accounting principles in the United States, applied on a consistent basis.

**“Goldman”** shall have the meaning assigned to such term in the preamble hereto.

**“Governmental Authority”** shall mean the government of the United States or any other nation, or of any political subdivision thereof, whether state, provincial, local or otherwise, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

**“Group Members”** shall mean Holdings, Intermediate Holdings, the Borrower and their respective Restricted Subsidiaries; and **“Group Member”** shall mean any one of them.

**“Guaranteed Obligations”** shall have the meaning assigned to such term in Section 7.01.

**“Guarantees”** shall mean the guarantees issued pursuant to Article VII by Holdings, Intermediate Holdings and the Subsidiary Guarantors.

**“Guarantors”** shall mean Holdings, Intermediate Holdings and each of the Subsidiary Guarantors.

**“Hazardous Materials”** shall mean the following: toxic or hazardous substances; hazardous wastes; polychlorinated biphenyls (“PCBs”) or any substance or compound containing PCBs; friable asbestos or friable asbestos-containing materials; radon or any other radioactive materials including any source, special nuclear or by-product material; petroleum, crude oil or any fraction thereof; and any other pollutant or contaminant subject to regulation under any Environmental Laws due to their dangerous or deleterious properties or characteristics, or which can give rise to liability under any Environmental Laws due to their dangerous or deleterious properties or characteristics.

“**Hedge Bank**” shall have the meaning assigned to such term in the definition of “Secured Parties.”

“**Hedging Agreement**” shall mean any swap, cap, collar, forward purchase or similar agreements or arrangements dealing with interest rates, currency exchange rates or commodity prices, either generally or under specific contingencies.

“**Hedging Obligations**” shall mean obligations under or with respect to Hedging Agreements.

“**Historical Financial Statements**” shall mean (i) audited consolidated balance sheets of IAS and related consolidated balance sheets, statements of operations and comprehensive loss, statements of stockholders’ equity and statements of cash flows for the fiscal years ended December 31, 2016 and December 31, 2017, (ii) unaudited consolidated balance sheets of IAS and related unaudited consolidated profit and loss statements and statements of cash flows for the four (4) month period ended April 30, 2018 and (iii) unaudited monthly financial statements (as prepared in the ordinary course of business consistent with past practice for internal use), which shall present, IAS’ consolidated balance sheets and related consolidated statements of operations, stockholders’ equity (deficit) and cash flows for each of the fiscal months since December 31, 2017 ended at least sixty (60) days prior to the Closing Date.

“**Holdings**” shall have the meaning assigned to such term in the preamble hereof.

“**IAS**” shall have the meaning assigned to such term in the preamble hereto.

“**Immaterial Subsidiary**” shall mean any Restricted Subsidiary of Holdings that the Borrower designates in writing (including via email) to the Administrative Agent as an “Immaterial Subsidiary”; *provided* that, as of the date of the last financial statements required to be delivered pursuant to Section 5.01(a) or Section 5.01(b), (a) the Consolidated Total Assets attributable to all such Subsidiaries shall not be in excess of 5.0% of Consolidated Total Assets of the Group Members on a consolidated basis as of such date, (b) the total revenues attributable to all such Subsidiaries shall not be in excess of 5.0% of total revenues of the Group Members on a consolidated basis as of such date, and (c) any such Restricted Subsidiary shall not own or license any Intellectual Property that is material to the business of Holdings and its Restricted Subsidiaries; *provided, further*, that in each case, the Borrower may designate and re-designate a Subsidiary as an Immaterial Subsidiary at any time, subject to the limitations and requirements set forth in this definition. If the Consolidated Total Assets or total revenues of all Restricted Subsidiaries so designated by the Borrower as “Immaterial Subsidiaries” shall at any time exceed the limits set forth in the preceding sentence, then starting with the largest Restricted Subsidiary (or such other order as the Borrower may elect in its sole discretion), the number of Restricted Subsidiaries that are at such time designated as Immaterial Subsidiaries shall automatically be deemed to no longer be designated as Immaterial Subsidiaries until the threshold amounts in the preceding sentence are no longer exceeded (as reasonably determined by the Borrower), with any Immaterial Subsidiaries at such time that are below such threshold amounts still being designated as (and remaining as) Immaterial Subsidiaries.

“**Impacted Loans**” shall have the meaning assigned to such term in Section 2.11(c).

“**Increase Effective Date**” shall have the meaning assigned to such term in Section 2.20(a).

“**Increase Joinder**” shall have the meaning assigned to such term in Section 2.20(e).

“**Incremental Amendment**” shall mean an amendment to this Agreement in form and substance reasonably satisfactory to the Administrative Agent and the Borrower executed by each of (a) the Borrower, (b) the Administrative Agent and (c) each Incremental Term Loan Lender and each Incremental Revolving Loan Lender, as applicable, that agrees to provide any portion of the Incremental Facilities being incurred pursuant thereto.

“**Incremental Facilities**” shall have the meaning assigned to such term in Section 2.20(a).

“**Incremental Loans**” shall mean the Incremental Term Loans and the Incremental Revolving Loans.

“**Incremental Revolving Loan**” shall have the meaning assigned to such term in Section 2.20(d).

“**Incremental Revolving Loan Commitment**” shall have the meaning assigned to such term in Section 2.20(a).

“**Incremental Revolving Loan Lender**” shall mean a Lender with an Incremental Revolving Loan Commitment or an outstanding Incremental Revolving Loan.

“**Incremental Term Loan Commitment**” shall have the meaning assigned to such term in Section 2.20(a).

“**Incremental Term Loan Lender**” shall mean a Lender with an Incremental Term Loan Commitment or an outstanding Incremental Term Loan.

“**Incremental Term Loans**” shall have the meaning assigned to such term in Section 2.20(c)(i).

“**Incurrence Ratio**” shall have the meaning assigned to such term in the definition of “Maximum Incremental Facilities Amount”.

**“Indebtedness”** of any person shall mean, without duplication, (a) all obligations of such person for borrowed money or advances; (b) all obligations of such person evidenced by bonds, debentures, notes or similar instruments; (c) all obligations of such person under conditional sale or other title retention agreements relating to property purchased by such person; (d) all obligations of such person issued or assumed as the deferred purchase price of property or services; (e) all Indebtedness of others (excluding prepaid interest thereon) secured by any Lien on property owned or acquired by such person, whether or not the obligations secured thereby have been assumed by such person, but limited to, to the extent that such Indebtedness is recourse only to such property (and not to such person), the lower of (x) fair market value of such property as determined by such person in good faith and (y) the amount of Indebtedness secured by such Lien; (f) all Capital Lease Obligations, Purchase Money Obligations and synthetic lease obligations of such person to the extent classified as indebtedness under GAAP (for the avoidance of doubt, lease payments under any operating leases (other than Capital Leases recorded as capitalized leases in accordance with GAAP as in effect on the Closing Date) shall not constitute Indebtedness); (g) all Hedging Obligations to the extent required to be reflected as a liability on the balance sheet of such person, (h) all Attributable Indebtedness of such person; (i) all obligations of such person for the reimbursement of any obligor in respect of letters of credit, letters of guaranty, bankers’ acceptances and similar credit transactions; (j) all obligations of such person, whether or not contingent, in respect of Disqualified Capital Stock of such person, valued at, in the case of redeemable preferred capital stock, the greater of the voluntary liquidation preference and the involuntary liquidation preference of such capital stock plus accrued and unpaid dividends; and (k) all Contingent Obligations of such person in respect of Indebtedness or obligations of others of the kinds referred to in clauses (a) through (j) above. The Indebtedness of any person shall include the Indebtedness of any other entity (including any partnership in which such person is a general partner) to the extent such person is liable therefor as a result of such person’s ownership interest in or other relationship with such entity, except (other than in the case of general partner liability) to the extent that terms of such Indebtedness expressly provide that such person is not liable therefor. Notwithstanding the foregoing or anything else herein to the contrary, Indebtedness shall not include: (a) trade accounts payable, (b) deferred obligations under the Management Services Agreement, (c) accrued obligations incurred in the ordinary course of business, (d) purchase price adjustments and Earn-Out obligations (until such obligations or adjustments become a liability on the balance sheet of such Person in accordance with GAAP and solely if not paid after becoming due and payable), (e) royalty payments made in the ordinary course of business in respect of licenses (to the extent such licenses are not prohibited hereby), (f) any accruals for payroll and other non-interest bearing liabilities accrued in the ordinary course of business, including tax accruals, (g) deferred rent obligations, taxes and compensation, (h) customary payables with respect to money orders or wire transfers, (i) customary obligations under employment arrangements, (j) operating leases (including for the avoidance of doubt any lease, concession or license treated as an operating lease under GAAP) and (k) obligations in respect of any license, permit or other approval arising in the ordinary course of business.

**“Indemnified Taxes”** shall mean all Taxes imposed with respect to any Loan Document or any payment thereunder other than Excluded Taxes.

**“Indemnitee”** shall have the meaning assigned to such term in Section 10.03(b).

**“Information”** shall have the meaning assigned to such term in Section 10.12.

**“Insurance Loss Addback”** shall mean, with respect to any calculation period, the amount of any loss, costs or expenses incurred during such period for which there is insurance, indemnity or reimbursement coverage and for which a related insurance, indemnity or reimbursement recovery is not recorded in accordance with GAAP, but for which such insurance, indemnity or reimbursement recovery is reasonably expected to be received by Holdings or any of its Restricted Subsidiaries in cash in a subsequent calculation period and within one year of the date of the underlying loss.

**“Intellectual Property”** shall have the meaning assigned to such term in the Security Agreement.

**“Intercreditor Agreement”** shall mean any intercreditor agreement executed in connection with any transaction requiring such agreement to be executed pursuant to the terms hereof, or otherwise required to be executed pursuant to the terms hereof, among the Administrative Agent, the Collateral Agent and one or more other Senior Representatives of Indebtedness, or any other party, as the case may be, and acknowledged and agreed to by the Borrower and the Guarantors, in each case, on terms that are reasonably satisfactory to the Administrative Agent, in each case, as amended, restated, amended and restated, supplemented, renewed, replaced, refinanced or otherwise modified from time to time with the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed).

**“Interest Election Request”** shall mean a written request by the Borrower to convert or continue a Revolving Borrowing or Term Loan Borrowing in accordance with Section 2.08(b), substantially in the form of Exhibit D or such other form (including any form on an electronic platform or electronic transmission system) as may be approved by the Administrative Agent, appropriately completed and signed by a Responsible Officer of each Borrower.

**“Interest Payment Date”** shall mean (a) with respect to any ABR Loan, the last Business Day of each March, June, September and December to occur during any period in which such Loan is outstanding, (b) with respect to any Eurodollar Loan, the last Business Day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurodollar Loan with an Interest Period of more than three months’ duration, each day prior to the last day of such Interest Period that occurs at intervals of three months’ duration after the first day of such Interest Period, (c) with respect to any Revolving Loan, the Revolving Maturity Date or such earlier date on which the Revolving Commitments are terminated in accordance with the terms hereof, and (d) with respect to any Term Loan, the Term Loan Maturity Date.

**“Interest Period”** shall mean, with respect to any Eurodollar Loan, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, two, three or six months (or, if agreed to by all relevant affected Lenders, twelve months or a period of shorter than one month) thereafter, as the Borrower may elect; *provided* that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (c) no Interest Period shall extend beyond (i) in the case of any



Eurodollar Revolving Loan, the Revolving Maturity Date and (ii) in the case of any Eurodollar Term Loan, the Term Loan Maturity Date. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“**Intermediate Holdings**” shall have the meaning assigned to such term in the preamble hereof.

“**Investments**” shall have the meaning assigned to such term in Section 6.03.

“**IPO**” shall mean the first underwritten public offering by Holdings (or its direct or indirect parent company) of Equity Interests in Holdings (or in its direct or indirect parent company, as the case may be) after the Closing Date pursuant to a registration statement filed with the SEC in accordance with the Securities Act.

“**ISP**” shall mean, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

“**Issuing Bank**” shall mean, as the context may require, (a) any bank or financial institution reasonably acceptable to Administrative Agent and Borrower as designated in writing by Administrative Agent and Borrower and agreed to by such bank or financial institution; (b) any other Lender that may become an Issuing Bank pursuant to Section 2.18(j) or (k) with respect to Letters of Credit issued by such Lender; and/or (c) collectively, all of the foregoing. Any Issuing Bank may, at its discretion, arrange for one or more Letters of Credit to be issued by one or more Affiliates of such Issuing Bank (and each such Affiliate shall be deemed to be an “Issuing Bank” for all purposes of the Loan Documents). In the event that there is more than one Issuing Bank at any time, references herein and in the other Loan Documents to the Issuing Bank shall be deemed to refer to the Issuing Bank in respect of the applicable Letter of Credit or to all Issuing Banks, as the context requires.

“**Joinder Agreement**” shall mean a joinder agreement substantially in the form of Exhibit E, with such amendments as may be reasonably and mutually agreed between the Administrative Agent and the Borrower.

“**Junior Indebtedness**” shall mean Indebtedness which would otherwise constitute Senior Unsecured Indebtedness, but that is by its terms subordinated in right of payment to the Obligations of the Borrower and the Guarantors, as applicable; *provided* that such terms of subordination are reasonably acceptable to the Administrative Agent.

“**Junior Secured Indebtedness**” shall mean senior Indebtedness of the Credit Parties for borrowed money that is secured on a junior basis to the Secured Obligations, subject to an Intercreditor Agreement.

“**Latest Maturity Date**” as of any date of determination, shall mean the latest maturity or expiration date applicable to any Loan or Commitment hereunder at such time, including the latest maturity or expiration date of any Incremental Term Loan, any Incremental Revolving Loan, any Refinancing Term Loan or any Refinancing Revolving Loan.

“**LC Commitment**” shall mean the commitment of the Issuing Bank to issue Letters of Credit pursuant to Section 2.18.

“**LC Disbursement**” shall mean a payment or disbursement made by the Issuing Bank pursuant to a drawing under a Letter of Credit.

“**LC Exposure**” shall mean at any time the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time (including, without limitation, any and all Letters of Credit for which documents have been presented that have not been honored or dishonored) *plus* (b) the aggregate principal amount of all Reimbursement Obligations outstanding at such time. The LC Exposure of any Revolving Lender at any time shall mean its Pro Rata Percentage of the aggregate LC Exposure at such time.

“**LC Extension**” shall have the meaning assigned to such term in Section 2.18(c).

“**LC Obligations**” shall mean, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit at such time (including, without limitation, any and all Letters of Credit for which documents have been presented that have not been honored or dishonored) *plus* the aggregate amount of all outstanding Reimbursement Obligations at such time. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.12. The amount of such LC Obligations shall equal the maximum amount that may be payable by the Administrative Agent and the Lenders thereupon or pursuant thereto. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“**LC Participation Fee**” shall have the meaning assigned to such term in Section 2.05(c).

“**LC Request**” shall mean an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the Issuing Bank in accordance with the terms of Section 2.18(b) and substantially in the form of Exhibit F.

“**LC Sublimit**” shall mean \$10,000,000.

“**LCT Election**” shall mean the Borrower’s election to treat a specified acquisition as a Limited Condition Transaction in accordance with Section 1.06.

“**LCT Test Date**” shall have the meaning given to that term in Section 1.06.

“**Lead Arrangers**” shall mean each of Goldman Sachs Private Middle Market Credit LLC, Golub Capital LLC, VCO Capital Markets, LLC, BSP Agency, LLC, NB PD III Holdings (LO) LP and NB PD III Holdings (UO) LP.

“**Leases**” shall mean any and all leases, subleases, tenancies, options, concession agreements, rental agreements, occupancy agreements, access agreements and any other agreements (including all amendments, extensions, replacements, renewals, modifications and/or guarantees thereof), whether or not of record and whether now in existence or hereafter entered into, affecting the use or occupancy of all or any portion of any Real Property.

“**Lenders**” shall mean (a) the financial institutions and other entities that have become a party hereto as lenders hereunder and (b) any financial institution or other entity that has become a party hereto pursuant to an Assignment and Assumption, other than, in each case, any such financial institution or other entity that has ceased to be a party hereto pursuant to an Assignment and Assumption. Unless the context clearly indicates otherwise, the term “Lenders” shall include an Issuing Bank.

“**Letter of Credit**” shall mean any standby letter of credit issued or to be issued by an Issuing Bank for the account of the Borrower or any Restricted Subsidiary thereof pursuant to Section 2.18.

“**Letter of Credit Expiration Date**” shall mean the date which is the earlier of (i) the first anniversary of the date of issuance of the applicable Letter of Credit or such longer period as may be agreed with the applicable Issuing Bank and (ii) five (5) Business Days prior to the Revolving Maturity Date then in effect (or, if such date is not a Business Day, the next succeeding Business Day), or such later date to the extent such Letter of Credit has been cash collateralized in an amount equal to 103% of the LC Exposure or backstopped with another letter of credit for such period after the Revolving Maturity Date in a manner to be mutually and reasonably agreed between the applicable Issuing Bank and the Borrower.

“**LIBO Rate**” shall mean, with respect to any Eurodollar Borrowing for any Interest Period, the rate per annum equal to the London Interbank Offered Rate or a comparable or successor rate, which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period (such rate, the “**Eurodollar Screen Rate**”); provided that to the extent a comparable or successor rate is approved by the Administrative Agent in connection herewith, the approved rate shall be applied in a manner consistent with market practice; provided further that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

Notwithstanding anything contained herein to the contrary, and without limiting the provisions of Section 2.11, in the event that the Administrative Agent shall have determined in good faith (which determination shall be final and conclusive and binding upon all parties hereto), in consultation with the Borrower, that there exists, at any time, a market convention for determining a rate of interest for syndicated loans in the United States that is widely recognized as the successor to interest rates based on the Eurodollar Screen Rate, and the Administrative Agent shall have given notice of such determination to the Borrower and each Lender (it being understood that the Administrative Agent may make such a determination of whether such market condition exists at any time, upon the reasonable request of the Borrower), then the Administrative Agent and the Borrower shall enter into an amendment to this Agreement to reflect such alternate rate of

interest and such other related changes to this Agreement as may be applicable consistent with market practice. Notwithstanding anything to the contrary in Section 10.02, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Lenders shall have received at least five Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment. Until an alternate rate of interest shall be determined in accordance with this paragraph (but only to the extent the Eurodollar Screen Rate for the applicable Interest Period is not available or published at such time on a current basis), (x) no Loans may be made as, or converted to, Eurodollar Loans, and (y) any Borrowing Request or Interest Election Request given by the Borrower with respect to Eurodollar Loans shall be deemed to be rescinded by the Borrower.

“**Lien**” shall mean, with respect to any property, (a) any mortgage, deed of trust, lien, pledge, encumbrance, claim, charge, assignment for security, hypothecation, security interest or encumbrance of any kind or any arrangement to provide priority or preference, including any easement, right-of-way or other encumbrance on title to owned Real Property, in each of the foregoing cases whether voluntary or imposed by law; (b) the interest of a vendor or a lessor under any conditional sale agreement, Capital Lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such property; *provided* that in no event shall an operating lease be deemed to be a Lien; and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“**Limited Condition Transaction**” shall mean any Investment or any acquisition of any assets, business or person permitted hereunder (subject to Section 1.06) and including, for the avoidance of doubt, any Permitted Acquisition, by Holdings or one or more of its Restricted Subsidiaries, including by way of merger or amalgamation, whose consummation is not conditioned on the availability of, or on obtaining, third party financing, in each case, together with any other transactions effected in connection therewith (including incurrence of indebtedness or making of restricted payments).

“**Liquidity**” shall mean, as of any date of determination, the sum of (a) the Total Revolving Commitment as of such date *less* (i) the amount of any Revolving Loans actually borrowed and outstanding as of such date and (ii) the LC Exposure as of such date *plus* (b) the amount of Unrestricted Cash of Holdings and its Restricted Subsidiaries as of such date.

“**Loan Documents**” shall mean this Agreement, any amendments hereto, the Letters of Credit, the LC Requests, any Intercreditor Agreement, the Notes (if any), the Security Documents, the Fee Letter (other than for purposes of Section 10.02) and intercreditor agreements and subordination agreements entered into pursuant to the terms hereof that any Credit Party is party to and any other document designated as such by the Borrower and the Administrative Agent, in each case as amended, amended and restated, restated, supplemented and/or modified from time to time.

“**Loans**” shall mean, as the context may require, a Revolving Loan or Term Loan.

“**LTM Recurring Revenues**” shall mean Recurring Revenues for the four fiscal quarters most recently ended for which financial statements have been delivered to the Administrative Agent and the Lenders pursuant to Section 5.01(a) or (b). Notwithstanding anything to the contrary, it is agreed, that for the purpose of calculating the LTM Recurring Revenue Leverage Ratio for any period that includes the fiscal quarter ended on September 30, 2017, December 31, 2017, March 31, 2018 or June 30, 2018, Recurring Revenues shall be deemed to be \$36,568,872, \$44,922,074, \$38,359,847 and \$42,614,048, respectively.

“**LTM Recurring Revenue Leverage Ratio**” shall mean, at any date of determination, the ratio of (a) (i) Consolidated Total Funded Indebtedness of Holdings and its Restricted Subsidiaries on such date *minus* (ii) Unrestricted Cash of Holdings and its Restricted Subsidiaries on such date, to (b) LTM Recurring Revenues of Holdings and its Restricted Subsidiaries as of such date.

“**Management Equityholders**” shall mean any of (i) any current or former director, officer, employee or member of management of Holdings or any of its Subsidiaries or any direct or indirect parent company thereof who, on the Closing Date, is an equityholder in Holdings or any direct or indirect parent thereof, (ii) any trust, partnership, limited liability company, corporate body or other entity established by any such director, officer, employee, or member of management of Holdings or any of its Subsidiaries or any direct or indirect parent thereof or any Person described in the succeeding clauses (iii) and (iv), as applicable, to hold an investment in Holdings or any direct or indirect parent thereof in connection with such Person’s estate or tax planning, (iii) any spouse, parents or grandparents or any descendant (including adopted children and step-children) or spouse or former spouse of the foregoing, of any such director, officer, employee or member of management of Holdings or any of its Subsidiaries or any direct or indirect parent thereof who is transferred Equity Interests of Holdings or any direct or indirect parent thereof by any such director, officer, employee or member of management of Holdings or any of its Subsidiaries or any direct or indirect parent thereof (or by any vehicle described in clause (ii) above), and (iv) any Person who acquires an investment in Holdings or any direct or indirect parent thereof by will or by the laws of intestate succession as a result of the death of any such director, officer, employee or member of management of Holdings or any of its Subsidiaries or any direct or indirect parent thereof.

“**Management Services Agreement**” shall mean that certain Management Agreement, dated as of the Closing Date, by and among Vista Equity Partners Management, LLC, Holdings, the Borrower and certain Affiliates of the Borrower from time to time party thereto, as amended, restated, amended and restated, supplemented and/or modified from time to time in a manner that is not materially adverse to the interests of the Lenders; *provided* that any amendment, restatement, amendment and restatement, supplement or other modification thereto to term out any fees under such Management Agreement in connection with an IPO shall not be considered materially adverse to the Lenders.

“**Margin Stock**” shall have the meaning assigned to such term in Regulation U.

“**Material Adverse Effect**” shall mean a material adverse effect on (a) the business or financial condition or results of operations of Holdings and its Restricted Subsidiaries, taken as a whole, (b) the material rights and remedies (taken as a whole) of the Administrative Agent or the Lenders under the Loan Documents (other than due to the action or inaction of the Administrative Agent, the applicable Lenders or any other Secured Party) or (c) the ability of the Borrower and the Guarantors, taken as a whole, to perform their payment obligations under the Loan Documents. Notwithstanding the foregoing, for purposes of any representations and warranties in the Loan Documents with respect to the Borrower and any of its Subsidiaries to be made on the Closing Date, “Material Adverse Effect” shall mean Material Adverse Effect (as defined in the Closing Date Acquisition Agreement).

“**Material Property**” shall mean all Real Property owned in fee in the United States by any Credit Party, in each case, with a fair market value of \$6,750,000 (as determined by the Borrower in good faith) or more, as determined (i) with respect to any Real Property owned by any Credit Party on the Closing Date, as of the Closing Date, and (ii) with respect to any Real Property acquired by a Credit Party after the Closing Date, as of the date of such acquisition.

“**Maximum Incremental Facilities Amount**” shall mean:

(i) (A) an aggregate amount equal to \$30,000,000, *plus* (B) the amount of any voluntary prepayments of any Loans, any Incremental Facility (in the case of any prepayment of Revolving Loans and/or Incremental Revolving Loans, to the extent accompanied by a corresponding permanent reduction in the relevant commitment) (it being understood that any such voluntary prepayment financed with the proceeds of Credit Agreement Refinancing Indebtedness shall not increase the calculation of the amount under this clause (i)(B)), *plus* (C) debt buybacks by Holdings and its Restricted Subsidiaries in accordance with Section 10.04(b)(vii) (it being understood that (x) any such debt buybacks financed with the proceeds of Credit Agreement Refinancing Indebtedness shall not increase the calculation of the amount under this clause (i)(C) and (y) in the case of any such debt buyback that is consummated at a discount to par, the calculation of the amount under this clause (C) shall be limited to the actual cash expenditures in respect thereof), *plus* (D) payments required by Sections 2.16(b)(B) or 10.02(e)(i), in each case to the extent financed with sources other than the proceeds of long-term Indebtedness (other than revolving Indebtedness to the extent intended to be repaid from operating cash flow) of Holdings or its Restricted Subsidiaries (the “**Fixed Incremental Amount**”), *plus*

(ii) an unlimited amount so long as, on a Pro Forma Basis as of the Applicable Date of Determination and for the applicable Test Period, determined after giving effect to the incurrence of any such Incremental Facility and any Permitted Acquisition or other permitted Investment consummated in connection therewith, any Indebtedness repaid with the proceeds thereof and any Investment, disposition or debt incurrence in connection therewith and all other pro forma adjustments (but excluding the proceeds of such Incremental Facility in any cash or cash equivalents formulation), with respect to any such Incremental Facility that is (A) incurred prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio shall not exceed 1.75 to 1.00 or (B) incurred on or after June 30, 2021, the Total Leverage Ratio shall not exceed 6.50 to 1.00 (the ratios in clauses (A) and (B), collectively, or any such ratio individually, as applicable, the “**Incurrence Ratio**”); *provided* that (w) the Incurrence Ratio, as so calculated, shall be permitted in the case of the LTM Recurring Revenue Leverage Ratio or the Total Leverage Ratio, to exceed the applicable levels set forth above to the extent of any Incremental

Facilities incurred in reliance on the Fixed Incremental Amount concurrently with the incurrence of any Incremental Facility pursuant to this clause (ii); (x) for purposes of determining compliance with the foregoing Incurrence Ratio in this clause (ii), any Incremental Revolving Loan Commitments shall be deemed to be drawn in full and any use of such Incremental Facilities to prepay Indebtedness shall be given pro forma effect and (y) to the extent the proceeds of any Incremental Facility are intended to be applied to finance a Limited Condition Transaction, if the Borrower has made an LCT Election with respect to such Limited Condition Transaction, Consolidated Total Funded Indebtedness, Recurring Revenues and Consolidated EBITDA, for purposes of determining compliance with the Incurrence Ratio, shall be determined instead, on a Pro Forma Basis, only (i) in the case of Consolidated Total Funded Indebtedness, as of the date, and (ii) with respect to Consolidated EBITDA, Recurring Revenues and Liquidity, for the Test Period most recently ended prior to the date, in each case on which the relevant agreement with respect to such Limited Condition Transaction is entered into as if the Limited Condition Transaction had occurred on such date. For the avoidance of doubt, any amounts incurred in reliance on the Fixed Incremental Amount as an Incremental Facility shall thereafter reduce the amount of Incremental Facilities that may be incurred in reliance thereon. For the avoidance of doubt, (I) the Borrower may elect to use this clause (ii) regardless of whether the Borrower has capacity under the Fixed Incremental Amount, (II) the Borrower may elect to use this clause (ii) prior to using the Fixed Incremental Amount, and if both clause (ii) and the Fixed Incremental Amount are available and the Borrower does not make an election, then the Borrower will be deemed to have elected to use this clause (ii) prior to using any amount available under the Fixed Incremental Amount and (III) in the event that any Incremental Facilities are incurred in reliance on the Fixed Incremental Amount concurrently with, or in a series of related transactions with, the incurrence of any Incremental Facility pursuant to this clause (ii), the Borrowers may elect to use this clause (ii) prior to using the Fixed Incremental Amount (in which case, for the avoidance of doubt, (x) the Incurrence Ratio shall first be calculated without giving effect to any loans or commitments incurred or to be so incurred using the Fixed Incremental Amount, but giving full pro forma effect to the use of proceeds of all such loans and commitments and other related transactions and (y) the Incurrence Ratio, as so calculated, shall be permitted in the case of the LTM Recurring Revenue Leverage Ratio or the Total Leverage Ratio, to exceed the applicable levels set forth above).

“**Maximum Rate**” shall have the meaning assigned to such term in Section 10.14.

“**Merger Sub**” shall have the meaning assigned to such term in the preamble hereto.

“**Minimum Borrowing Amount**” shall mean

- (a) in the case of Eurodollar Loans, \$250,000;
- (b) in the case of ABR Loans that are Term Loans, \$250,000; and
- (c) in the case of ABR Loans that are Revolving Loans, the lesser of \$250,000 and the Revolving Commitment at such time.

“**MNPI**” shall have the meaning assigned to such term in Section 10.01(f)(i).

“**Moody’s**” shall mean Moody’s Investors Service Inc.

“**Mortgage**” shall have the meaning assigned to such term in Section 5.10(c)(ii).

“**Multiemployer Plan**” shall mean a “multiemployer plan” within the meaning of Section 4001(a)(3) or Section 3(37) of ERISA which is subject to Title IV of ERISA (a) to which any Group Member is then making or accruing an obligation to make contributions or (b) with respect to which any Group Member has any liability (including on account of an ERISA Affiliate).

“**Net Cash Proceeds**” shall mean:

(a) with respect to any Asset Sale (other than any issuance or sale of Equity Interests), the proceeds thereof in the form of cash, cash equivalents (including Cash Equivalents) and marketable securities (including any such proceeds received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable, or by the sale, transfer or other disposition of any non-cash consideration received in connection therewith or otherwise, but only as and when received) received by any Group Member, net of, without duplication, (i) fees and expenses (including brokers’ fees or commissions, discounts, legal, accounting and other professional and transactional fees, transfer and similar taxes and the Borrower’s good faith estimate of taxes paid or payable in connection with such sale or with the repatriation of such proceeds (after taking into account any available tax credits or deductions and any payments or payable amounts under tax sharing arrangements permitted under the Loan Documents) (*provided* that, to the extent and at the time that any such taxes are no longer required to be paid or payable, such amounts then constitute Net Cash Proceeds)), (ii) amounts provided as a reserve, in accordance with GAAP, against (x) any liabilities under any indemnification obligations, earn-out obligations or purchase price adjustments associated with such Asset Sale or (y) any other liabilities retained or payable by any Group Member associated with the Properties sold in such Asset Sale (*provided* that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds), (iii) the principal amount, premium or penalty, if any, interest and other amounts on any Indebtedness for borrowed money (other than the Loans) that is secured by a Lien on the Properties sold in such Asset Sale (so long as such Lien was permitted to encumber such Properties under the Loan Documents at the time of such sale and was not a *pari passu* or junior Lien on Collateral) and which is repaid with such proceeds (other than any such Indebtedness assumed by the purchaser of such Properties) and (iv) the Borrower’s good faith estimate of the amount of payments required to be made with respect to unassumed liabilities relating to the properties sold within 360 days of such Asset Sale (*provided* that to the extent such cash proceeds are not used to make payments in respect of such unassumed liabilities within 360 days after such Asset Sale, such cash proceeds shall constitute Net Cash Proceeds);

(b) with respect to any Casualty Event, the cash insurance proceeds, condemnation awards and other compensation received by, or on behalf of, any Group Member in respect thereof, net of all costs and expenses incurred in connection with the collection of such proceeds, awards or other compensation in respect of such Casualty Event (including, in respect of any such Casualty Event, transfer and similar taxes and the Borrower’s good faith estimate of



taxes paid or payable in connection with such Casualty Event or with the repatriation of such proceeds (after taking into account any available tax credits or deductions and any payments or payable amounts under tax sharing arrangements permitted under the Loan Documents) (*provided* that, to the extent and at the time that any such taxes are no longer required to be paid or payable, such amounts shall then constitute Net Cash Proceeds));

(c) with respect to any issuance or sale of Equity Interests by Holdings or any of its Restricted Subsidiaries, the cash proceeds thereof, net of Taxes (including Taxes payable upon the repatriation of any such proceeds to a Group Member), fees, commissions, costs and other expenses incurred in connection therewith; and

(d) with respect to any Debt Issuance by Holdings or any of its Restricted Subsidiaries, the cash proceeds thereof, net of Taxes (including Taxes payable upon repatriation of the proceeds to a Group Member), fees, commissions, costs and other expenses incurred in connection therewith.

“**Net Working Capital**” shall mean, at any time, Consolidated Current Assets at such time minus Consolidated Current Liabilities at such time.

“**Non-Consenting Lender**” shall mean any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 10.02 and (ii) has been approved by the Required Lenders (or the Required Revolving Lenders, as applicable) or more than 50% of the affected Lenders, as applicable.

“**Non-Credit Party Target**” shall have the meaning assigned to such term in the definition of “Permitted Acquisition”.

“**Non-Extending Lender**” shall have the meaning assigned to such term in Section 2.21(e).

“**Non-Restricted Persons**” shall have the meaning assigned to such term in Section 10.04(b)(v)(C).

“**Not Otherwise Applied**” shall mean, with reference to any amount of proceeds of any transaction or event, that such amount (a) was not required to be applied to prepay the Loans pursuant to Section 2.10, (b) was not previously applied in determining the permissibility of a transaction under the Loan Documents where such permissibility was contingent on receipt of such amount or utilization of such amount for a specified purpose, (c) in the case of Net Cash Proceeds from Eligible Equity Issuances or from Equity Cure Contributions, was not otherwise used for or in connection with (i) Investments made pursuant to Section 6.03(f), (v) or (x), (ii) Dividends made pursuant to Section 6.06(f) or (i), (iii) prepayments of Indebtedness pursuant to Section 6.09(a)(E), (iv) the inclusion thereof as an Equity Cure Contribution in the calculation of Consolidated EBITDA for purposes of determining compliance with the Total Leverage Covenant or (v) the incurrence of Indebtedness pursuant to Section 6.01(w), (d) was not previously applied to increase the Cumulative Amount pursuant to the definition thereof and (e) was not previously applied to increase the amount of Total Consideration available to be paid under the definition of “Permitted Acquisition”.

“**Notes**” shall mean any notes evidencing the Term Loans, Revolving Loans issued pursuant to this Agreement, if any, substantially in the form of Exhibit G-1 or G-2, as applicable.

“**Notice of Intent to Cure**” shall have the meaning assigned to such term in Section 8.03(a).

“**Obligations**” shall mean obligations of the Borrower and the other Credit Parties from time to time arising under or in respect of the due and punctual payment of (i) the principal of and premium, if any, and interest (including any PIK Interest and interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) each payment required to be made by the Borrower and the other Credit Parties under this Agreement in respect of any Letter of Credit, when and as due, including payments in respect of Reimbursement Obligations with respect to Letters of Credit, interest thereon and obligations to provide cash collateral with respect thereto and (iii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including fees and other monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Borrower and the other Credit Parties under this Agreement and the other Loan Documents; *provided that*, notwithstanding anything to the contrary, the Obligations shall exclude any Excluded Swap Obligations.

“**OFAC**” shall mean the U.S. Department of the Treasury, Office of Foreign Assets Control.

“**Offer Process**” shall have the meaning assigned to such term in Section 10.04(b)(vii)(B).

“**Organizational Documents**” shall mean, with respect to any person, (i) in the case of any corporation, the certificate of incorporation and by-laws (or similar documents) of such person, (ii) in the case of any limited liability company, the certificate of formation and operating agreement (or similar documents) of such person, (iii) in the case of any limited partnership, the certificate of limited partnership and limited partnership agreement (or similar documents) of such person, (iv) in the case of any general partnership, the partnership agreement (or similar document) of such person and (v) in any other case, the functional equivalent of the foregoing.

“**Other Connection Taxes**” shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising solely from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to or enforced by any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“**Other Taxes**” shall mean all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes or any other excise or property Taxes, charges or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement or any other Loan Document (and any interest, additions to tax or penalties applicable thereto), except for any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to [Section 2.16](#)).

“**Paid in Full**”, “**Pay in Full**” or “**Payment in Full**” shall mean, with respect to any Obligations, Secured Obligations or Guaranteed Obligations, as applicable, the payment in full in cash of all such Obligations, Secured Obligations or Guaranteed Obligations, as applicable (other than (a) contingent indemnification obligations or unasserted expense reimbursement obligations, (b) obligations and liabilities under Secured Cash Management Agreements and Secured Hedging Agreements with respect to which arrangements satisfactory to the applicable Cash Management Bank or Hedge Bank shall have been made and (c) Letters of Credit that have been cash collateralized in accordance with this Agreement or backstopped to the reasonable satisfaction of the applicable Issuing Bank).

“**Participant**” shall have the meaning assigned to such term in [Section 10.04\(d\)\(i\)](#).

“**Participant Register**” shall have the meaning assigned to such term in [Section 10.04\(d\)\(iii\)](#).

“**Patriot Act**” shall have the meaning assigned to such term in [Section 3.19](#).

“**PBGC**” shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“**Permitted Acquisition**” shall mean any transaction or series of related transactions by Holdings or any of its Restricted Subsidiaries for (a) the direct or indirect acquisition of all or substantially all of the property of any Person, or of any assets constituting a line of business (including, without limitation, a product line), business unit, division or product line (including research and development and related assets in respect of any product) of any Person; (b) the acquisition (including by merger or consolidation) of the Equity Interests (other than director qualifying shares) of any Person that becomes a Restricted Subsidiary after giving effect to such transaction; or (c) a merger or consolidation or any other combination with any Person (so long as a Credit Party (including for the avoidance of doubt (except in the case of a merger, consolidation or other combination involving the Borrower) any such Person that becomes a Credit Party upon the consummation of such merger, consolidation or other combination), to the extent such Credit Party is a party to such merger, consolidation or other combination, is the surviving entity); *provided* that each of the following conditions shall be met or waived by the Required Lenders:

(i) subject to [Section 1.06](#), no Event of Default (or, in the case of a Limited Condition Transaction, (x) on or prior to June 30, 2021, no Event of Default under [Section 8.01\(a\)](#), (b), (d) (solely with respect to the failure to comply with [Section 6.08](#)), (g), (h) or (m) (solely with respect to the failure to comply with the financial reporting requirements set forth in [Section 5.01\(a\)](#) or (b)) and (y) after June 30, 2021, no Event of Default under [Section 8.01\(a\)](#), (b), (g) or (h)) shall have occurred and be continuing immediately before giving pro forma effect to such acquisition and immediately after giving effect to such acquisition;

(ii) subject to Section 1.06, immediately after giving effect to such transaction on a Pro Forma Basis (assuming that such transaction and all other Permitted Acquisitions consummated since the first day of the relevant Test Period ending on or prior to the date of such transaction had occurred on the first day of such relevant Test Period), the Borrower shall be in compliance with the Financial Covenants;

(iii) immediately after giving effect to such transaction, Holdings and its Restricted Subsidiaries shall be in compliance with Sections 6.10 and 6.12;

(iv) any such newly created or acquired Restricted Subsidiary or property shall either (x) to the extent required by Section 5.10 or Section 5.11, as applicable, become a Credit Party and comply with the requirements of Section 5.10 or become part of the “Collateral” and be subject to the requirements of Section 5.11, or (y) if any such newly created or acquired Restricted Subsidiary does not become a Credit Party and comply with the requirements of Section 5.10 (a “**Non-Credit Party Target**”) or such assets do not become part of the “Collateral”, (i) prior to June 30, 2021, the Total Consideration paid in connection with such purchase or acquisition and all other such purchases or acquisitions described in this clause (y) shall not exceed \$90,000,000 in the aggregate and (ii) on or after June 30, 2021, Total Consideration paid in connection with such purchase or acquisition and all other such purchases or acquisitions described in this clause (y) shall not exceed \$150,000,000 in the aggregate, *plus*, in each case, amounts otherwise available under Section 6.03 (with any usage here reducing capacity under such clause of Section 6.03 on a dollar for dollar basis); *provided* that the limitation set forth in clause (y) shall not apply if the Non-Credit Party Targets acquired in such Permitted Acquisition account for less than 20% of the Consolidated EBITDA of all of the entities acquired in such Permitted Acquisition calculated on a Pro Forma Basis; and

(v) such acquisition shall not be consummated pursuant to a tender offer that is not supported by the board of directors of the Person to be acquired and the board of directors of any such Person shall not have indicated publicly its opposition to the consummation of such acquisition (which opposition has not been publicly withdrawn).

Notwithstanding anything to the contrary contained in the immediately preceding sentence, an acquisition which does not otherwise meet the requirements set forth above in the definition of “**Permitted Acquisition**” shall constitute a Permitted Acquisition if, and to the extent, the Required Lenders agree in writing, prior to the consummation thereof, that such acquisition shall constitute a Permitted Acquisition for purposes of this Agreement.

“**Permitted Closing Date Revolving Advances**” shall have the meaning assigned to that term in Section 3.11.

**“Permitted Junior Refinancing Debt”** shall mean secured Indebtedness incurred by Borrower or any other Credit Party (other than Holdings or Intermediate Holdings) and guarantees with respect thereto by any Credit Party; *provided* that (i) such Indebtedness is secured by the Collateral on a junior basis to the Secured Obligations and the obligations in respect of any Permitted Pari Passu Refinancing Debt, in each case, pursuant to an Intercreditor Agreement, and is not secured by any property or assets of Holdings and its Restricted Subsidiaries other than the Collateral and (ii) such Indebtedness constitutes Credit Agreement Refinancing Indebtedness in respect of Term Loans, Incremental Term Loans, Refinancing Term Loans, Revolving Loans, Incremental Revolving Loans, or Refinancing Revolving Loans. Permitted Junior Refinancing Debt will include any Registered Equivalent Notes issued in exchange therefor.

**“Permitted Liens”** shall have the meaning assigned to such term in [Section 6.02](#).

**“Permitted Pari Passu Refinancing Debt”** shall mean any secured Indebtedness incurred by Borrower or any other Credit Party (other than Holdings or Intermediate Holdings) and guarantees with respect thereto by any Credit Party; *provided* that (i) such Indebtedness is secured by the Collateral on a *pari passu* basis (but without regard to the control of remedies) with the Secured Obligations and is not secured by any property or assets of Holdings or its Restricted Subsidiaries other than the Collateral, (ii) such Indebtedness constitutes Credit Agreement Refinancing Indebtedness in respect of Term Loans, Incremental Term Loans, Refinancing Term Loans, Revolving Loans, Incremental Revolving Loans, or Refinancing Revolving Loans, and (iii) a Senior Representative validly acting on behalf of the holders of such Indebtedness shall have become party to an Intercreditor Agreement. Permitted Pari Passu Refinancing Debt will include any Registered Equivalent Notes issued in exchange therefor.

**“Permitted Refinancing”** shall mean, with respect to any Person, any modification, refinancing, refunding, renewal, replacement or extension of any Indebtedness of such Person; *provided* that (a) the principal amount (or accreted value, if applicable) thereof does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so modified, refinanced, refunded, renewed, replaced or extended except by an amount equal to unpaid accrued interest and premium thereon *plus* other reasonable amounts paid, and fees, expenses, commissions, underwriting discounts and expenses reasonably incurred, in connection with such modification, refinancing, refunding, renewal, replacement or extension and by an amount equal to any existing commitments unutilized thereunder, (b) other than with respect to a Permitted Refinancing of Indebtedness permitted pursuant to [Section 6.01\(e\)](#), such modification, refinancing, refunding, renewal, replacement or extension has a final maturity date equal to or later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being modified, refinanced, refunded, renewed, replaced or extended, (c) other than with respect to a Permitted Refinancing of Indebtedness permitted pursuant to [Section 6.01\(e\)](#), at the time thereof, no Event of Default shall have occurred and be continuing, (d) to the extent such Indebtedness being modified, refinanced, refunded, renewed, replaced or extended is subordinated in right of payment to the Obligations, such modification, refinancing, refunding, renewal, replacement or extension is subordinated in right of payment to the Obligations on terms, taken as a whole, at least as favorable (as reasonably determined by the Borrower) to the Lenders in all material respects as those contained in the documentation governing the subordination of the Indebtedness being modified, refinanced, refunded, renewed, replaced or extended and (e) neither Holdings nor any of its Restricted Subsidiaries shall be an obligor or guarantor of any such refinancings, replacements, refundings, renewals, replacements or extensions except to the extent that such Person was such an obligor or guarantor in respect of the applicable Indebtedness being modified, refinanced, refunded, renewed, replaced or extended.

“**Permitted Surviving Indebtedness**” shall have the meaning assigned to such term in Section 6.01(b)(x).

“**Permitted Unsecured Refinancing Debt**” shall mean unsecured Indebtedness incurred by Borrower or any other Credit Party (other than Holdings or Intermediate Holdings) and guarantees with respect thereto by any Credit Party; *provided* that such Indebtedness constitutes Credit Agreement Refinancing Indebtedness in respect of Term Loans, Incremental Term Loans, Refinancing Term Loans, Revolving Loans, Incremental Revolving Loans, or Refinancing Revolving Loans. Permitted Unsecured Refinancing Debt will include any Registered Equivalent Notes issued in exchange therefor.

“**Person**” or “**person**” shall mean any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“**PIK Interest**” shall have the meaning assigned to such term in Section 2.06(f).

“**PIK Interest Accrual Period**” shall mean, commencing on the Closing Date, each day during each fiscal quarter of the Holdings (x) until the date on which a certified calculation of the Total Leverage Ratio has been delivered pursuant to Section 5.01(d) demonstrating that the Total Leverage Ratio for the fiscal quarter most recently then ended did not exceed 6.50 to 1.00 and (y) thereafter solely to the extent that the certified calculation of the Total Leverage Ratio for the fiscal quarter most recently ended and most recently delivered pursuant to Section 5.01(d) demonstrated that the Total Leverage Ratio for the fiscal quarter most recently ended exceeds 6.50 to 1.00 and continuing until a subsequent certified calculation of the Total Leverage Ratio has been delivered pursuant to Section 5.01(d) demonstrating that the Total Leverage Ratio for the fiscal quarter most recently then ended did not exceed 6.50 to 1.00. The existence (or non-existence, as applicable) of a PIK Interest Accrual Period shall be re-determined quarterly on the first Business Day of the month following the date of delivery to the Administrative Agent of a certified calculation of the Total Leverage Ratio in accordance with Section 5.01(d); *provided* that if such certification is not provided in accordance with Section 5.01(d), the a PIK Interest Accrual Period shall be deemed to be in effect as of the first Business Day of the month following the end of the quarter for which the certification was not delivered until the date on which such certification is delivered demonstrating that the Total Leverage Ratio for the fiscal quarter most recently then ended did not exceed 6.50 to 1.00.

In the event that the certified calculation of the Total Leverage Ratio previously delivered pursuant to Section 5.01(d) was inaccurate (and such inaccuracy is discovered while any Term Loans are outstanding), and such inaccuracy, if corrected, would have led to the existence of a PIK Interest Accrual Period for any period (an “**Applicable PIK Period**”), then to the extent any Term Loans are outstanding at such time, (i) the Borrower shall as soon as practicable deliver to the Administrative Agent the correct certified calculation of the Total Leverage Ratio for such Applicable PIK Period, (ii) the PIK Interest, shall be determined as if the Applicable PIK Period was a PIK Interest Accrual Period, and (iii) the PIK Interest for the Applicable PIK Period shall be deemed to have accrued or been capitalized, as applicable for such Applicable PIK Period in accordance with Section 2.06(f) (as if such Applicable PIK Period were a PIK Interest Accrual Period).

**“PIK Interest Payment Date”** shall mean (a) the last Business Day of each March, June, September and December to occur during any PIK Interest Accrual Period (or, at the option of Borrower, on the last Business Day of any Interest Period then applicable to Term Loans that occurs prior to any such applicable last Business Day) and (b) the Term Loan Maturity Date

**“Plan”** shall mean any “employee pension benefit plan” (as such term is defined in Section 3(2) of ERISA) (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 or Section 430 of the Code or Section 302 or Section 303 of ERISA which is maintained or contributed to by (or required to be contributed to by) any Group Member or with respect to which any Group Member has any liability (including on account of an ERISA Affiliate).

**“Plan of Reorganization”** shall have the meaning assigned to such term in Section 10.04(b)(v)(C).

**“Platform”** shall have the meaning assigned to such term in Section 10.01(e).

**“Private Side Communications”** shall have the meaning assigned to such term in Section 10.01(f).

**“Private Siders”** shall have the meaning assigned to such term in Section 10.01(f).

**“Pro Forma Balance Sheet”** shall have the meaning assigned to such term in Section 3.04(a).

**“Pro Forma Basis”** shall mean, with respect to the calculation of all financial ratios and tests (including the Total Leverage Ratio, the LTM Recurring Revenue Leverage Ratio and the amount of Consolidated Total Assets and Consolidated EBITDA) contained in this Agreement other than for purposes of calculating Excess Cash Flow, in each case as of any date, that such calculation shall give pro forma effect to the Transactions and all Subject Transactions (and the application of the proceeds from any such asset sale or debt incurrence) that have occurred during the relevant testing period for which such financial test or ratio is being calculated and/or during the period immediately following such period and prior to or substantially concurrently with the event for which the calculation of any such ratio is made, including pro forma adjustments arising out of events which are attributable to the Transactions, the proposed Subject Transaction and/or all other Subject Transactions that have been consummated during the relevant period, including giving effect to those specified in accordance with the definition of “Consolidated EBITDA,” in each case as certified on behalf of Holdings by a Financial Officer of Holdings, using, for purposes of determining such compliance with a financial test or ratio (including any incurrence test), the historical financial statements of all entities, divisions or lines or assets so acquired or sold and the consolidated financial statements of Holdings and/or any of its Restricted Subsidiaries, calculated as if the Transactions or such Subject Transaction, and/or all other Subject Transactions that have been consummated during the relevant period, and any Indebtedness incurred or repaid in connection therewith, had been consummated (and the change in Consolidated EBITDA resulting therefrom) and incurred or repaid at the beginning of such period and Consolidated Total Assets shall be calculated after giving effect thereto.

Whenever pro forma effect is to be given to the Transactions or a Subject Transaction, the pro forma calculations shall be made in good faith by a Financial Officer of Holdings (as set forth in a certificate of such Financial Officer delivered to the Administrative Agent) (including adjustments for costs and charges arising out of the Transactions, the proposed Subject Transaction and all other Subject Transactions that have been consummated during the relevant period and the “run-rate” cost savings and synergies resulting from the Transactions or such Subject Transactions that have been or are reasonably anticipated to be realizable (“run-rate” means the full recurring benefit for a test period that is associated with any action taken or expected to be taken or for which a plan for realization has been established (including any savings expected to result from the elimination of a public target’s Public Company Costs), net of the amount of actual benefits realized during such test period from such actions), and any such adjustments included in the initial pro forma calculations shall continue to apply to subsequent calculations of such financial ratios or tests, including during any subsequent test periods in which the effects thereof are expected to be realizable); *provided* that (i) such amounts are factually supportable and reasonably identifiable and are projected by the Borrower in good faith to be realizable within 18 months after the end of the test period in which the Transactions or the Subject Transaction occurred and, in each case, certified by a Financial Officer of Holdings, (ii) no amounts shall be added pursuant to this paragraph to the extent duplicative of any amounts that are otherwise added back in computing Consolidated EBITDA for such test period and (iii) amounts added back to Consolidated EBITDA pursuant to this paragraph, when combined with amounts added back pursuant to clause (f)(y) of the definition thereof, shall not, in the aggregate, exceed 25% of Consolidated EBITDA for any four fiscal quarter period (determined prior to giving effect thereto) (in each case, other than any amounts added back to Consolidated EBITDA which constitute operational improvements made in connection with the Transactions).

If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the applicable date of determination for which the calculation is made had been the applicable rate for the entire test period (taking into account any interest hedging arrangements applicable to such Indebtedness). Interest on a Capital Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a Financial Officer of Holdings to be the rate of interest implicit in such Capital Lease Obligation in accordance with GAAP. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be determined to have been based upon the rate actually chosen, or if none, then based upon such optional rate chosen as the Borrower may designate.

“**Pro Rata Percentage**” of any Revolving Lender at any time shall mean the percentage of the Total Revolving Commitment of all Revolving Lenders represented by such Lender’s Revolving Commitment; *provided* that for purposes of Section 2.19(b), “Pro Rata Percentage” shall mean the percentage of the Total Revolving Commitment (disregarding the Revolving Commitment of any Defaulting Lender to the extent its LC Exposure is reallocated to the non-Defaulting Lenders) represented by such Lender’s Revolving Commitment. If the Revolving Commitments have terminated or expired, the Pro Rata Percentage shall be determined based upon the Revolving Commitments most recently in effect, after giving effect to any assignments.



“**Projections**” shall have the meaning assigned to such term in Section 3.13(a).

“**Property**” or “**property**” shall mean any right, title or interest in or to property or assets of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible and including Equity Interests or other ownership interests of any person and whether now in existence or owned or hereafter entered into or acquired, including all Real Property.

“**PTE**” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“**Public Company Costs**” shall mean any costs, fees and expenses associated with, in anticipation of, or in preparation for, compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith and costs, fees and expenses relating to compliance with the provisions of the Securities Act and the Exchange Act (as applicable to companies with equity or debt securities held by the public), the rules of national securities exchanges for companies with listed equity or debt securities, directors’ or managers’ compensation, fees and expense reimbursements, charges relating to investor relations, shareholder meetings and reports to shareholders and debtholders, directors’ and officers’ insurance and other executive costs, legal and other professional fees and listing fees.

“**Public Side Communications**” shall have the meaning assigned to such term in Section 10.01(f).

“**Public Siders**” shall have the meaning assigned to such term in Section 10.01(f).

“**Purchase Money Obligation**” shall mean, for any Person, the obligations of such Person in respect of Indebtedness (including Capital Lease Obligations) incurred for the purpose of financing all or any part of the purchase price of any fixed or Capital Assets or the cost of installation, construction or improvement of any fixed or Capital Assets and any refinancing thereof; *provided, however*, that (i) such Indebtedness is incurred no later than 180 days after the acquisition, installation, construction, repair, replacement, exchange or improvement of such fixed or Capital Assets by such Person, (ii) the amount of such Indebtedness (excluding any costs, expenses and fees incurred in connection therewith) does not exceed 100% of the cost of such acquisition, installation, construction or improvement, as the case may be, and (iii) the Liens granted with respect thereto do not at any time encumber any property other than the property financed by such Indebtedness (with respect to Capital Lease Obligations, the Liens granted with respect thereto do not at any time extend to or cover any assets other than the assets subject to such Capital Lease Obligations).

“**Qualified Capital Stock**” of any Person shall mean any Equity Interests of such Person that are not Disqualified Capital Stock.

**“Qualified ECP Guarantor”** shall mean, in respect of any Swap Obligation, each Guarantor that has total assets exceeding \$10,000,000 at the time the relevant Guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other Person as constitutes an “eligible contract participant” under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another Person to qualify as an “eligible contract participant” at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

**“Qualifying IPO”** means the issuance by Holdings or any direct or indirect parent of Holdings, in each case, of its Qualified Capital Stock in an underwritten primary public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act (whether alone or in connection with a secondary public offering).

**“Real Property”** shall mean, collectively, all right, title and interest (including any leasehold, mineral or other estate) in and to any and all parcels of or interests in real property owned, leased or operated by any Person, whether by lease, license or other means, together with, in each case, all easements, hereditaments and appurtenances relating thereto, all improvements and appurtenant fixtures and equipment, all general intangibles and contract rights and other property and rights incidental to the ownership, lease or operation thereof.

**“Recurring Revenues”** shall mean, with respect to any period, all recurring transactional maintenance and subscription revenues, and recurring revenues attributable to software licensed or sold by the Holdings or any of Restricted Subsidiaries, which recurring revenues are earned during such period net of any discounts, calculated on a basis consistent with the financial statements delivered to the Administrative Agent prior to the Closing Date.

**“Recipient”** shall mean any Agent, any Lender and any Issuing Bank, as applicable.

**“Refinanced Debt”** shall have the meaning assigned to such term in the definition of “Credit Agreement Refinancing Indebtedness.”

**“Refinancing Amendment”** shall mean an amendment to this Agreement in form and substance reasonably satisfactory to the Administrative Agent and the Borrower executed by each of (a) the Borrower, (b) the Administrative Agent and (c) each Lender and Additional Lender that agrees to provide any portion of the Credit Agreement Refinancing Indebtedness being incurred pursuant thereto.

**“Refinancing Revolving Loan Commitments”** shall mean one or more Tranches of revolving loan commitments hereunder that result from a Refinancing Amendment.

**“Refinancing Revolving Loans”** shall mean one or more Tranches of Revolving Loans that result from a Refinancing Amendment.

**“Refinancing Term Commitments”** shall mean one or more Tranches of Term Loan Commitments hereunder that result from a Refinancing Amendment.

**“Refinancing Term Loans”** shall mean one or more Tranches of Term Loans that result from a Refinancing Amendment.

**“Register”** shall have the meaning assigned to such term in Section 10.04(c).

**“Registered Equivalent Notes”** shall mean, with respect to any notes originally issued in a Rule 144A or other private placement transaction under the Securities Act of 1933, substantially identical notes (having the same guarantee obligations) issued in a dollar-for-dollar exchange therefor pursuant to an exchange offer registered with the SEC.

**“Regulation D”** shall mean Regulation D of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

**“Regulation S-X”** shall mean Regulation S-X promulgated under the Securities Act.

**“Regulation T”** shall mean Regulation T of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

**“Regulation U”** shall mean Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

**“Regulation X”** shall mean Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

**“Reimbursement Obligations”** shall mean the Borrower’s obligations under Section 2.18(e) to reimburse LC Disbursements.

**“Rejection Notice”** shall have the meaning assigned to such term in Section 2.10(i).

**“Related Parties”** shall mean, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors, attorneys and representatives of such Person and of such Person’s Affiliates.

**“Release”** shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of any Hazardous Material into the Environment.

**“Required Debt Terms”** shall mean in respect of any Indebtedness, the following requirements: (i) such Indebtedness (x) does not have a maturity date or have any mandatory prepayment or redemption features (other than customary asset sale events, insurance and condemnation proceeds events, change of control offers or events of default, AHYDO catch-up payments and excess cash flow and indebtedness sweeps), in each case prior to the date that is 91 days after the then Latest Maturity Date at the time such Indebtedness is incurred and (y) does not have a shorter Weighted Average Life to Maturity than the Term Loans, (ii) such Indebtedness is not guaranteed by any Subsidiaries of Holdings that are not Guarantors, (iii) if such Indebtedness is secured by the Collateral, a Senior Representative acting on behalf of the holders of such Indebtedness has become party to an Intercreditor Agreement if such Indebtedness is secured on a *pari passu* or junior basis with the Secured Obligations, (iv) to the extent secured, any such Indebtedness is not secured by assets not constituting Collateral (unless such Indebtedness is incurred by a Restricted Subsidiary that is not a Credit Party), (v) any such Indebtedness that is payment subordinated shall be subject to a subordination agreement on terms that are reasonably acceptable to the Administrative Agent and the Borrower, and (vi) the terms and conditions of

such Indebtedness (excluding pricing, interest rate margins, rate floors, discounts, premiums, fees, and prepayment or redemption terms and provisions which shall be determined by the Borrower) are not materially more restrictive to Holdings and its Subsidiaries (when taken as a whole) than the terms and conditions of this Agreement (when taken as a whole) (except for covenants or other provisions applicable only to periods after the applicable Latest Maturity Date) (it being understood that to the extent that any financial maintenance covenant is added for the benefit of any such Indebtedness or a materially more restrictive term is provided for the benefit of such Indebtedness, no consent shall be required from the Administrative Agent if such financial covenant or other terms are added to this Agreement); *provided, further*, that a certificate delivered to the Administrative Agent at least five Business Days prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the requirements of this definition, shall be conclusive evidence that such terms and conditions satisfy the requirements of this definition unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees).

**“Required Lenders”** shall mean Lenders having more than 50% of the sum of all Loans outstanding, LC Exposure and unused Revolving Commitments and Term Loan Commitments; *provided* that the Loans, LC Exposure and unused Commitments held or deemed held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders; *provided, further*, that for any Required Lenders’ vote, Affiliated Debt Funds may not, in the aggregate, account for more than 49.9% of the amounts included in determining whether the Required Lenders have consented to any amendment or waiver.

**“Required Revolving Lenders”** shall mean Lenders having more than 50% of all Revolving Commitments or, after the Revolving Commitments have terminated, more than 50% of all Revolving Exposure; *provided* that the Revolving Commitments or Revolving Exposure held or deemed held by any Defaulting Lender shall be excluded for purposes of making a determination of the Required Revolving Lenders.

**“Requirements of Law”** shall mean, collectively, all international, foreign, federal, state and local laws (including common law), judgments, decrees, statutes, treaties, rules, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, or other requirements of, any Governmental Authority, in each case whether or not having the force of law.

**“Responsible Officer”** of any Person shall mean any executive officer (including, without limitation, the president, any vice president, secretary and assistant secretary), any authorized person or Financial Officer of such Person and any other officer or similar official or authorized person thereof with responsibility for the administration of the obligations of such Person in respect of this Agreement and, solely for purposes of notices given pursuant to Article II, any other officer or employee of the applicable Credit Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of the applicable Credit Party designated in or pursuant to an agreement between the applicable Credit Party and the Administrative Agent.

“**Restricted Debt Payment**” shall have the meaning assigned to such term in Section 6.09(a).

“**Restricted Subsidiary**” shall mean each Subsidiary of Holdings other than any Unrestricted Subsidiary.

“**Revolving Borrowing**” shall mean a Borrowing comprised of Revolving Loans.

“**Revolving Commitment**” shall mean, with respect to each Lender, the commitment, if any, of such Lender to make Revolving Loans hereunder up to the amount set forth on Annex A hereto or by an Increase Joinder, or in any Assignment and Assumption pursuant to which such Lender assumed its Revolving Commitment, as applicable, as the same may be (a) reduced from time to time pursuant to Section 2.07 and (b) reduced or increased from time to time pursuant to Incremental Revolving Loan Commitments or assignments by or to such Lender pursuant to Section 2.16(b), Section 10.02(e) or Section 10.04.

“**Revolving Exposure**” shall mean, with respect to any Lender at any time, the aggregate principal amount at such time of all outstanding Revolving Loans of such Lender, *plus* the aggregate amount at such time of such Lender’s LC Exposure.

“**Revolving Lender**” shall mean a Lender with a Revolving Commitment or that holds a Revolving Loan.

“**Revolving Loan**” shall mean a Loan made by Lenders to the Borrower pursuant to Section 2.01(b), including, unless the context shall otherwise require, any Incremental Revolving Loans made pursuant to Section 2.20 after the Closing Date.

“**Revolving Maturity Date**” shall mean (x) with respect to any Revolving Commitments the maturity date of which has not been extended pursuant to Section 2.21, the date which is five years after the Closing Date or, if such date is not a Business Day, the first Business Day preceding such date and (y) with respect to any Extended Tranche of Revolving Commitments, the final maturity date specified in the applicable Extension Election accepted by the respective Lender or Lenders.

“**S&P**” shall mean Standard & Poor’s Ratings Service, a division of McGraw Hill Companies, Inc.

“**Sale Leaseback Transaction**” shall mean any arrangement, directly or indirectly, with any Person whereby the Borrower or any of its Restricted Subsidiaries shall sell, transfer or otherwise dispose of any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred; *provided* that (a) no Event of Default shall have occurred and be continuing or would immediately result therefrom and (b) such Sale Leaseback Transaction is consummated within 180 days of the disposition of such property.

“**Sanctions**” shall have the meaning assigned to such term in Section 3.20.

“**SEC**” shall mean the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“**Secured Cash Management Agreement**” shall mean any Cash Management Agreement that is entered into by and between any Credit Party or any Restricted Subsidiary and any Cash Management Bank that is designated by Holdings as a “Secured Cash Management Agreement”.

“**Secured Hedging Agreement**” shall mean any Hedging Agreement that is entered into by and between any Credit Party or any Restricted Subsidiary and any Hedge Bank that is designated by Holdings as a “Secured Hedging Agreement”.

“**Secured Obligations**” shall mean (a) the Obligations and (b) the payment of all obligations of the Borrower and the other Credit Parties under each Secured Cash Management Agreement and Secured Hedging Agreement entered into with any counterparty that is a Secured Party; *provided* that, (x) notwithstanding anything to the contrary, the Secured Obligations shall exclude any Excluded Swap Obligations and (y) the Secured Obligations under clause (b) of this definition shall not exceed \$7,500,000.

“**Secured Parties**” shall mean, collectively, (i) the Administrative Agent, (ii) the Collateral Agent, (iii) the Lenders and Issuing Bank, (iv) each other Agent, (v) each Cash Management Bank and (vi) each counterparty to a Hedging Agreement that is (x) a Lender or an Agent (or an Affiliate of a Lender or an Agent) and each other Person if, at the date of entering into such Hedging Agreement, such Person was a Lender or an Agent (or an Affiliate of a Lender or an Agent) or (y) each Person who has entered into a Hedging Agreement with a Credit Party if such Hedging Agreement was provided or arranged by the Administrative Agent or an Affiliate of the Administrative Agent, and any assignee of such Person or (z) each Person with whom the Borrower has entered into a Hedging Agreement for which the Administrative Agent or an Affiliate of the Administrative Agent has provided credit enhancement through either assignment right or a letter of credit in favor of such Person and any assignee thereof; *provided* that if such Person is not a Lender or an Agent, by accepting the benefits of this Agreement, such Person shall be deemed to have (i) appointed the Collateral Agent as its agent under the applicable Loan Documents and (ii) be deemed to be (and agrees to be) bound by the provisions of Sections 9.03, 10.03 and 10.09 as if it were a Lender (a “**Hedge Bank**”).

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

“**Security Agreement**” shall mean one or more security agreements by and among one or more of the Credit Parties and the Collateral Agent for the benefit of the Secured Parties with respect to Liens granted on the Collateral thereunder as security for the Secured Obligations.

“**Security Agreement Collateral**” shall mean all property pledged or granted, or purported to be pledged or granted, as collateral pursuant to a Security Agreement, including, without limitation, as required pursuant to Section 5.10 or Section 5.11 and in each case other than Excluded Property.

“**Security Documents**” shall mean the Security Agreements, the Mortgages (if any) and each other security document or pledge agreement delivered in accordance with applicable local or foreign law to grant a valid, perfected security interest in any property as collateral for the Secured Obligations, and any other document or instrument utilized to pledge or grant or purport to pledge or grant a security interest or lien on any property as collateral for the Secured Obligations.

“**Senior Representative**” shall mean, with respect to any series of Permitted Pari Passu Refinancing Debt, Permitted Junior Refinancing Debt, Junior Secured Indebtedness, Permitted Unsecured Refinancing Debt, the trustee, the sole lender, administrative agent, collateral agent, security agent or similar agent under the indenture or agreement pursuant to which such Indebtedness is issued, incurred or otherwise obtained, as the case may be, and each of their successors in such capacities.

“**Senior Unsecured Indebtedness**” shall mean senior unsecured Indebtedness incurred by the Borrower or any other Credit Party (other than Holdings or Intermediate Holdings) for borrowed money that (a) does not have a final maturity date prior to 91 days after the Latest Maturity Date at the time of incurrence thereof, (b) does not have a shorter Weighted Average Life to Maturity than the Term Loans, and (c) the covenants and events of default and other terms of which (other than pricing, interest rate margins, rate floors, fees, discounts, interest rate, premiums and prepayment or redemption provisions) are not, taken as a whole, more restrictive to Holdings and its Restricted Subsidiaries in any material respect than those in this Agreement; *provided*, that the terms thereof shall not include any mandatory prepayment that is materially more restrictive with respect to such entities when taken as a whole than those in this Agreement.

“**Specified Acquisition Agreement Representations**” shall mean the representations made with respect to IAS and its Subsidiaries in the Closing Date Acquisition Agreement as are material to the interests of the Lenders (in their capacities as such), but only to the extent that Holdings or Holdings’ applicable Affiliates (that are Affiliates immediately prior to giving effect to the Closing Date Acquisition) have the right (taking into account any applicable cure provisions) to terminate Holdings’ (or such Affiliates’) obligations under the Closing Date Acquisition Agreement or decline to consummate the Closing Date Acquisition as a result of a breach of such representations in the Closing Date Acquisition Agreement.

“**Specified Existing Tranche**” shall have the meaning assigned to such term in Section 2.21(a).

“**Specified Representations**” shall mean the representations made by the Borrowers and the Guarantors on the Closing Date with respect to Section 3.01(a) and (as it applies to the Loan Documents) (b), Section 3.02, Section 3.03(b), Section 3.09, Section 3.10, Section 3.15, Section 3.18, Section 3.19, Section 3.20 (to the extent it applies to the use of proceeds of the Loans), and Section 3.21.

“**Sponsor**” shall mean Vista Equity Partners Fund VI, L.P., Vista Equity Partners Management, LLC and their respective Controlled Investment Affiliates.

“**Sponsor Investors**” shall have the meaning assigned thereto in Section 10.04(b)(v)(A).

“**Sponsor Model**” shall mean the model delivered to the Administrative Agent on May 23, 2018.

“**Statutory Reserves**” shall mean for any Interest Period for any Eurodollar Borrowing, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the United States Federal Reserve System in New York City with deposits exceeding one billion dollars against “**Eurocurrency liabilities**” (as such term is used in Regulation D). Eurodollar Borrowings shall be deemed to constitute Eurodollar liabilities and to be subject to such reserve requirements without benefit of or credit for proration, exceptions or offsets which may be available from time to time to any Lender under Regulation D.

“**Subject Transaction**” shall mean any (a) disposition of all or substantially all of the assets of or all of the Equity Interests of any Restricted Subsidiary or of any product line, business unit, line of business (including, without limitation, a product line) or division of the Borrower or any of the Restricted Subsidiaries for which historical financial statements are available, in each case to the extent otherwise permitted hereunder, (b) Permitted Acquisition, (c) other Investment that is otherwise permitted hereunder, (d) designation of any Restricted Subsidiary as an Unrestricted Subsidiary, or of any Unrestricted Subsidiary as a Restricted Subsidiary, (e) any proposed incurrence of Indebtedness or making of a Dividend or a Restricted Debt Payment in respect of which compliance with any financial ratio is by the terms of this Agreement required to be calculated on a Pro Forma Basis or (f) restructurings, cost savings and similar initiatives, operating improvements and synergy realizations.

“**Subordinated Indebtedness**” shall mean Indebtedness of the Borrower or any Guarantor that is by its terms subordinated in right of payment to the Obligations of the Borrower and such Guarantor, as applicable; *provided* that such terms of subordination and the intercreditor documentation with respect thereto, are customary.

“**Subsidiary**” shall mean, with respect to any Person (the “**parent**”) at any date, (i) any Person the accounts of which would be consolidated with those of the parent’s in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, (ii) any other corporation, limited liability company, association or other business entity of which securities or other ownership interests representing more than 50% of the voting power of all Equity Interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Board of Directors thereof are, as of such date, owned, controlled or held by the parent and/or one or more subsidiaries of the parent, (iii) any partnership (a) the sole general partner or the managing general partner of which is the parent and/or one or more subsidiaries of the parent or (b) the only general partners of which are the parent and/or one or more subsidiaries of the parent and (iv) any other Person that is otherwise Controlled by the parent and/or one or more subsidiaries of the parent. Unless otherwise specified, references to “Subsidiary” or “Subsidiaries” herein shall refer to Subsidiaries of Holdings.



**“Subsidiary Guarantor”** shall mean each Domestic Subsidiary of Holdings (other than the Borrower) that is or becomes pursuant to Section 5.10 a party to this Agreement; *provided* that, notwithstanding anything to the contrary, no Excluded Subsidiary shall be a Subsidiary Guarantor and although Intermediate Holdings is a Guarantor, it shall not be considered a Subsidiary Guarantor.

**“Swap Obligation”** shall mean, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act.

**“Tax Change”** means any change in the Code or any other applicable Requirements of Law that would have the effect of changing the amount of Taxes due and payable by Holdings and its Restricted Subsidiaries for any taxable period, as compared to the amount of Taxes that would have been due and payable by Holdings and its Restricted Subsidiaries for such taxable period under the Code or any other Requirements of Law as in effect immediately prior to such change; provided for avoidance of doubt, that the calculation of a change in Taxes due and payable shall take into account all changes to the Code or any other Requirements of Law.

**“Tax Group”** shall have the meaning assigned to such term in Section 6.06(c).

**“Tax Return”** shall mean all returns, statements, declarations, filings, attachments and other documents or certifications required to be filed in respect of Taxes, including any amendments thereof.

**“Tax Withholdings”** shall have the meaning assigned to such term in Section 2.15(a).

**“Taxes”** shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholdings), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

**“Term Loan”** shall mean a Loan made by Lenders to the Borrower pursuant to Section 2.01(a) or any PIK Interest which has capitalized and been added to the principal amount of such Loans in accordance with Section 2.06(f), and shall include, unless the context shall otherwise require, any Incremental Term Loans made pursuant to Section 2.20 after the Closing Date.

**“Term Loan Borrowing”** shall mean a Borrowing comprised of Term Loans.

**“Term Loan Commitment”** shall mean, with respect to any Lender, (a) its obligation to make its portion of Term Loans to the Borrower in the amount set forth on Annex A, and (b) unless the context shall otherwise require, any Incremental Term Loan Commitments made pursuant to Section 2.20 after the Closing Date. The initial aggregate amount of the Term Loan Commitments as of the date hereof is \$325,000,000.

**“Term Loan Lender”** shall mean a Lender with a Term Loan Commitment or an outstanding Term Loan.

“**Term Loan Maturity Date**” shall mean (x) with respect to any Term Loans the maturity date of which has not been extended pursuant to Section 2.21, the date which is six (6) years after the Closing Date or, if such date is not a Business Day, the first Business Day preceding such date, and (y) with respect to any Extended Tranche of Term Loans, the final maturity date specified in the applicable Extension Election accepted by the respective Lender or Lenders.

“**Test Period**” shall mean, at any time, subject to Section 1.06, the four consecutive fiscal quarters of Holdings then last ended (in each case taken as one accounting period) for which financial statements have been or were required to be delivered pursuant to Section 5.01(a) or (b).

“**Total Consideration**” shall mean (without duplication), with respect to a Permitted Acquisition, the sum of (a) cash paid as consideration to the seller in connection with such Permitted Acquisition (other than Earn-Outs), *plus* (b) Indebtedness for borrowed money payable to the seller in connection with such Permitted Acquisition (other than Earn-Outs), *plus* (c) the present value of future payments which are required to be made over a period of time and are not contingent upon the Borrower or any of its Restricted Subsidiaries meeting financial performance objectives (exclusive of salaries paid in the ordinary course of business) (discounted at ABR), *plus* (d) the amount of Indebtedness for borrowed money assumed in connection with such Permitted Acquisition, *minus* (e) the aggregate principal amount of equity contributions made to Holdings the proceeds of which are used substantially contemporaneously with such contribution to fund all or a portion of the cash purchase price (including deferred payments) of such Permitted Acquisition, *minus* (f) any cash and Cash Equivalents on the balance sheet of the target entity acquired as part of the applicable Permitted Acquisition (to the extent such target entity becomes a Credit Party and complies with the requirements of Section 5.10), *minus* (g) all transaction costs incurred in connection therewith; *provided* that Total Consideration shall not include any consideration or payment (y) paid by Holdings or its Restricted Subsidiaries directly in the form of Equity Interests of Holdings (or any direct or indirect parent company thereof) (other than Disqualified Capital Stock) or (z) funded by cash and Cash Equivalents generated by any Excluded Subsidiary.

“**Total Leverage Covenant**” shall have the meaning assigned to such term in Section 8.03(a).

“**Total Leverage Ratio**” shall mean, at any date of determination, the ratio of (i)(y) Consolidated Total Funded Indebtedness of Holdings and its Restricted Subsidiaries on such date *minus* (z) Unrestricted Cash of Holdings and its Restricted Subsidiaries on such date, to (ii) Consolidated EBITDA for the Test Period then most recently ended.

“**Total Revolving Commitment**” shall mean the sum of all Revolving Commitments pursuant to this Agreement. On the Closing Date, the Total Revolving Commitment shall be \$25,000,000, as set forth on Annex A, as the same may be (a) reduced from time to time pursuant to Section 2.07 or Section 2.16(b) and (b) increased from time to time pursuant to Incremental Revolving Loan Commitments.

“**Tranche**” shall mean each tranche of Loans available hereunder. On the Closing Date there shall be two tranches, one comprised of the Term Loans and the other comprised of the Revolving Loans.

“**Transaction Documents**” shall mean the Closing Date Acquisition Documents, the Loan Documents, and any agreements or documents relating to the Closing Date Equity Issuance.

“**Transactions**” shall mean, collectively, the transactions to occur on or prior to the Closing Date pursuant to the Closing Date Acquisition Documents and the Loan Documents; the execution, delivery and performance of the Closing Date Acquisition Documents, the Loan Documents and the initial Borrowings hereunder; the Closing Date Equity Issuance; the Closing Date Refinancing; and the payment of all fees, costs and expenses to be paid on or prior to the Closing Date and owing in connection with the foregoing.

“**Transferred Guarantor**” shall have the meaning assigned to such term in Section 7.09.

“**Trust Funds**” shall mean funds (a) for payroll, payroll taxes, and healthcare and other employee wage and benefit payments to or for the benefit of a Credit Party’s or any of their respective Subsidiaries’ officers, directors and employees, (b) for taxes required to be collected, remitted or withheld (including, without limitation, federal and state withholding taxes (including the employer’s share thereof) and including, without limitation, any sales tax account) or (c) which any Credit Party or any of their respective Subsidiaries holds on behalf of a third party as escrow or fiduciary for such third party (including, without limitation, defeasance accounts, redemption accounts and trust accounts).

“**Type**” when used in reference to any Loan or Borrowing, shall mean a reference to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate or the Alternate Base Rate.

“**UCC**” shall mean the Uniform Commercial Code as in effect from time to time (except as otherwise specified) in any applicable state or jurisdiction.

“**Undisclosed Administration**” means in relation to a Lender or its direct or indirect parent company, the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official by a supervisory authority or regulator under or based on the law in the country where such Lender or such parent company is subject to home jurisdiction supervision, in each case to the extent applicable law requires that such appointment is not to be publicly disclosed.

“**United States**” or “**U.S.**” shall mean the United States of America.

“**Unreimbursed Amount**” shall have the meaning assigned to such term in Section 2.18(d).

“**Unrestricted Cash**” shall mean, at any time, the aggregate amount of unrestricted cash and Cash Equivalents held in accounts of Holdings and its Restricted Subsidiaries (whether or not held in an account pledged to the Administrative Agent) that is free and clear of all Liens other than (i) Liens created by the Loan Documents or (ii) other Liens permitted hereunder; *provided* that any such Liens are subordinated to or *pari passu* with the Liens in favor of the Administrative Agent or Collateral Agent (and perfected to no greater extent than the Liens on such cash and Cash Equivalents in favor of the Administrative Agent).

**“Unrestricted Subsidiary”** shall mean (a) any Subsidiary of Holdings that is formed or acquired after the Closing Date; *provided* that at such time (or promptly thereafter) the Borrower designates such Subsidiary an Unrestricted Subsidiary in a notice to the Administrative Agent, (b) any Restricted Subsidiary subsequently designated as an Unrestricted Subsidiary by the Borrower in a written notice to the Administrative Agent, and (c) each Subsidiary of an Unrestricted Subsidiary; *provided* that in the case of clauses (a) and (b) above, (x) such designation shall be deemed to be an Investment on the date of such designation in an amount equal to the fair market value of the investment therein and such designation shall be permitted only to the extent permitted under Section 6.03 on the date of such designation, (y) no Event of Default shall have occurred and be continuing or exist or would immediately result from such designation after giving pro forma effect thereto (including the re-designation of Indebtedness and Liens on the assets of such Subsidiary as Indebtedness and Liens on assets of an Unrestricted Subsidiary) and (z) immediately after giving effect to any such designation, on a Pro Forma Basis (including, for the avoidance of doubt, giving pro forma effect to the re-designation of Indebtedness and Liens on the assets of such Subsidiary as Indebtedness and Liens on assets of an Unrestricted Subsidiary), as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Test does not exceed 1.75 to 1.00, or (ii) after June 30, 2021, the Total Leverage Ratio does not exceed 5.00 to 1.00. The Borrower may, by written notice to the Administrative Agent, re-designate any Unrestricted Subsidiary as a Restricted Subsidiary (which shall constitute a reduction in any outstanding Investment), and thereafter, such Subsidiary shall no longer constitute an Unrestricted Subsidiary, but only if (a) no Event of Default would immediately result from such re-designation (including the re-designation of Indebtedness and Liens on the assets of such Subsidiary as Indebtedness and Liens on assets of a Restricted Subsidiary) and (b) immediately after giving effect to any such re-designation (including the re-designation of Indebtedness and Liens on the assets of such Subsidiary as Indebtedness and Liens on assets of a Restricted Subsidiary and the deemed return on any Investment in such Unrestricted Subsidiary pursuant to clause (y)), on a Pro Forma Basis, as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Test does not exceed 1.75 to 1.00, or (ii) after June 30, 2021, the Total Leverage Ratio does not exceed 5.00 to 1.00. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute (x) the incurrence by such Restricted Subsidiary at the time of such designation of any Indebtedness or Liens of such Restricted Subsidiary outstanding at such time (after giving effect to, and taking into account, any payoff or termination of Indebtedness or any release or termination of Liens, in each case, occurring in connection or substantially concurrently therewith) and (y) constitute a return on any Investment by the Borrower in such Unrestricted Subsidiary in an amount equal to the fair market value at the date of such prior designation of such Restricted Subsidiary as an Unrestricted Subsidiary. As of the Closing Date, none of the Subsidiaries of Holdings is an Unrestricted Subsidiary, and in no event shall the Borrower, Intermediate Holdings, or any Subsidiary of Holdings that owns or licenses any material Intellectual Property used by Holdings or any of its Restricted Subsidiaries become an Unrestricted Subsidiary. Notwithstanding anything else to the contrary, no Subsidiary may be designated as an Unrestricted Subsidiary if (i) such designated Unrestricted Subsidiary shall directly at or indirectly own any equity or debt of, or hold a Lien on any property of, the Borrower or any Person that will remain a Restricted Subsidiary and (ii) the

Borrower or any other Person that will remain a Restricted Subsidiary shall be directly or indirectly liable for Indebtedness that provides that the holder thereof may (with the passage of time or notice or both) declare a default thereon or cause the payment to be accelerated or payable prior to its stated maturity thereof upon the occurrence of a default with respect to any Indebtedness, Lien or other obligation of such Unrestricted Subsidiary (including any right to take enforcement actions against such Unrestricted Subsidiary).

“**Voting Stock**” shall mean, with respect to any Person, any class or classes of Equity Interests pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the Board of Directors of such Person.

“**Weighted Average Life to Maturity**” shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing: (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (ii) the then outstanding principal amount of such Indebtedness; *provided* that for purposes of determining the Weighted Average Life to Maturity of any Indebtedness or Disqualified Capital Stock that is being modified, refinanced, refunded, renewed, replaced or extended, the effects of any prepayments or amortization made on such Indebtedness or Disqualified Capital Stock prior to the date of the applicable modification, refinancing, refunding, renewal, replacement or extension shall be disregarded.

“**Wholly Owned Restricted Subsidiary**” shall mean a Restricted Subsidiary which is a Wholly Owned Subsidiary of Holdings, Intermediate Holdings, the Borrower or any Restricted Subsidiary.

“**Wholly Owned Subsidiary**” shall mean, as to any Person, (a) any corporation 100% of whose capital stock (other than directors’ qualifying shares or other nominal issuance in order to comply with local laws) is at the time owned by such Person and/or one or more Wholly Owned Subsidiaries of such Person and (b) any partnership, association, joint venture, limited liability company or other entity in which such Person and/or one or more Wholly Owned Subsidiaries of such Person have a 100% equity interest at such time.

“**Write-Down and Conversion Powers**” shall mean, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

“**Yield**” shall have the meaning assigned to such term in [Section 2.20\(f\)](#).

“**Yield Differential**” shall have the meaning assigned to such term in [Section 2.20\(f\)](#).

Section 1.02 [Classification of Loans and Borrowings](#). For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a “Revolving Loan”) or by Type (e.g., a “Eurodollar Loan”) or by Class and Type (e.g., a “Eurodollar Revolving Loan”). Borrowings also may be classified and referred to by Class (e.g., a “Revolving Borrowing,” “Borrowing of Term Loans”) or by Type (e.g., a “Eurodollar Borrowing”) or by Class and Type (e.g., a “Eurodollar Revolving Borrowing”).

Section 1.03 Terms Generally.

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (i) any definition of or reference to any Loan Document, agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, amended and restated, supplemented, replaced or otherwise modified (subject to any restrictions on such amendments, supplements, replacements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns (subject to any restrictions on assignments set forth herein), (iii) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (v) any reference to any law or regulation herein shall refer to such law or regulation as amended, modified or supplemented from time to time, (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, and (vii) all references to the knowledge of any Group Member or facts known by any Group Member shall mean actual knowledge of any Responsible Officer of such Person. Any Responsible Officer executing any Loan Document or any certificate or other document made or delivered pursuant hereto or thereto, so executes or certifies in his/her capacity as a Responsible Officer on behalf of the applicable Credit Party and not in any individual capacity.

(b) The term “enforceability” and its derivatives when used to describe the enforceability of an agreement shall mean that such agreement is enforceable except as enforceability may be limited by any Debtor Relief Law and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

(c) Any terms used in this Agreement that are defined in the UCC shall be construed and defined as set forth in the UCC unless otherwise defined herein; *provided* that to the extent that the UCC is used to define any term herein and such term is defined differently in different Articles of the UCC, the definition of such term contained in Article 9 of the UCC shall govern.

Section 1.04 Accounting Terms; GAAP. Except as otherwise expressly provided herein, all financial statements to be delivered pursuant to this Agreement shall be prepared in accordance with GAAP as in effect from time to time and all terms of an accounting or financial nature shall be construed and interpreted in accordance with GAAP, as in effect on the date hereof. If at any time any change in GAAP or Tax Change would affect the computation of any financial ratio, standard or term set forth in any Loan Document, and the Borrower or the Required Lenders

shall so request, the Administrative Agent and the Borrower shall negotiate in good faith to amend such ratio, standard or term to preserve the original intent thereof in light of such change in GAAP or Tax Change (subject to approval by the Required Lenders and the Borrower); *provided* that, until so amended, such ratio, standard or term shall continue to be computed in accordance with GAAP immediately prior to such change therein, and the Borrower shall provide to the Administrative Agent and the Lenders within five (5) days after delivery of each certificate or financial report required hereunder that is affected thereby a written statement of a Financial Officer of Holdings setting forth in reasonable detail the differences (including any differences that would affect any calculations relating to the Financial Covenants as set forth in Section 6.08) that would have resulted if such financial statements had been prepared without giving effect to such change. Notwithstanding anything to the contrary, for all purposes under this Agreement and the other Loan Documents, including negative covenants, financial covenants and component definitions, GAAP will be deemed to treat operating leases and Capital Leases in a manner consistent with their current treatment under GAAP as in effect on the Closing Date, notwithstanding any modifications or interpretive changes thereto that may occur thereafter. Notwithstanding any other provision contained herein, (i) all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Statement of Financial Accounting Standards 159 or FASB ASC 825 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of Holdings or any of its Restricted Subsidiaries at "fair value," as defined therein and (ii) the financial ratios and related definitions set forth in the Loan Documents shall be computed to exclude the application of Financial Accounting Standards No. 133, 150 or 123(R) or any other financial accounting standard having a similar result or effect (to the extent that the pronouncements in Financial Accounting Standards No. 123(R) result in recording an equity award as a liability on a consolidated balance sheet of Holdings and its Restricted Subsidiaries in the circumstance where, but for the application of the pronouncements, such award would have been classified as equity).

Notwithstanding anything to the contrary herein, all financial ratios and tests (including the Total Leverage Ratio, the LTM Recurring Revenue Leverage Ratio and the amount of Consolidated Total Assets, Unrestricted Cash and Consolidated EBITDA) contained in this Agreement other than for purposes of calculating Excess Cash Flow that are calculated with respect to any Test Period during which any Subject Transaction occurs shall be calculated with respect to such Test Period and such Subject Transaction on a Pro Forma Basis. Further, if since the beginning of any such Test Period and on or prior to the date of any required calculation of any financial ratio or test (x) any Subject Transaction shall have occurred or (y) any Person that subsequently became a Restricted Subsidiary or was merged, amalgamated or consolidated with or into Holdings or any of its Restricted Subsidiaries since the beginning of such Test Period shall have consummated any Subject Transaction, then, in each case, any applicable financial ratio or test shall be calculated on a Pro Forma Basis for such Test Period as if such Subject Transaction had occurred at the beginning of the applicable Test Period (it being understood, for the avoidance of doubt, that solely for purposes of calculating quarterly compliance with Section 6.08, the date of the required calculation shall be the last day of the Test Period, and no Subject Transaction occurring thereafter shall be taken into account).

Other than as provided in Section 1.06 below, for purposes of determining the permissibility of any action, change, transaction or event that by the terms of the Loan Documents requires a calculation of any financial ratio or test (including the Total Leverage Ratio, the LTM Recurring Revenue Leverage Ratio and the amount of Consolidated EBITDA, Unrestricted Cash and Consolidated Total Assets), (x) such financial ratio or test shall be calculated at the time such action is taken, such change is made, such transaction is consummated or such event occurs, as the case may be, and no Default or Event of Default shall be deemed to have occurred solely as a result of a change in such financial ratio or test occurring after the time such action is taken, such change is made, such transaction is consummated or such event occurs, as the case may be and (y) such financial ratio or test shall be calculated (on a Pro Forma Basis if applicable) using the most recent financial statements which have been delivered by the Credit Parties in accordance with Section 5.01(a) or 5.01(b).

Notwithstanding anything to the contrary herein, (a) to the extent compliance with a financial ratio or test is calculated prior to the date financial statements are first delivered under Section 5.01(a) or (b), such calculation shall use the latest financial statements delivered pursuant to Section 4.01(m), and (b) any determination of pro forma compliance with the Financial Covenants for purposes of determining the permissibility under the Loan Documents of any transaction occurring on or prior to December 31, 2018 shall be made applying the covenant levels applicable to the Test Period ending December 31, 2018.

Section 1.05 Resolution of Drafting Ambiguities. Each party hereto acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of the Loan Documents to which it is a party, that it and its counsel reviewed and participated in the preparation and negotiation hereof and thereof and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation hereof or thereof.

Section 1.06 Limited Condition Transaction. Notwithstanding anything to the contrary herein, for purpose of (i) measuring the relevant ratios (including Consolidated EBITDA, the Total Leverage Ratio, the LTM Recurring Revenue Leverage Ratio, cash or Cash Equivalents (for the purpose of any “netting” calculation on any LCT Test Date) or Consolidated Interest Expense (in each case)) and baskets (including baskets measured as a percentage of Consolidated EBITDA or Consolidated Total Assets) with respect to the incurrence of any Indebtedness (including any Incremental Facilities) or Liens or the making of any Permitted Acquisitions or other Investments, Dividends, Restricted Debt Payments, prepayments of subordinated or junior Indebtedness, Asset Sales or other sales or dispositions of assets or fundamental changes or the designation of any Restricted Subsidiaries or Unrestricted Subsidiaries, (ii) determining compliance with representations and warranties or the occurrence of any Default or Event of Default or (iii) determining compliance with the Financial Covenants set forth in Section 6.08, in the case of clauses (i), (ii) and (iii), in connection with a Limited Condition Transaction, if the Borrower has made an LCT Election with respect to such Limited Condition Transaction, the date of determination of whether any such action is permitted hereunder (including, in the case of calculating Consolidated EBITDA, the reference date for determining which Test Period shall be the most recently ended Test Period for purposes of making such calculation) shall be deemed to be the date the definitive agreements (or in the case of an LCT Transaction that involves some other manner of establishing a binding obligation under local law, such other binding obligation to consummate such transaction) for such Limited Condition Transaction are entered into (and not, for the avoidance of doubt, the date of consummation of any Limited Condition Transaction) (the



“LCT Test Date”), and if, after giving pro forma effect to such Limited Condition Transaction and the other transactions to be entered into in connection therewith as if they had occurred (with respect to income statement items) at the beginning of, or (with respect to balance sheet items) on the last day of, the most recent Test Period ending prior to the LCT Test Date, the Group Members could have taken such action on the relevant LCT Test Date in compliance with such ratio, basket, representation and warranty or “Default” or “Event of Default” blocker, such ratio, basket, covenant, representation and warranty or “Default” or “Event of Default” blocker shall be deemed to have been complied with (and no Default or Event of Default shall be deemed to have arisen thereafter with respect to such Limited Condition Transaction from any such failure to comply with such ratio, basket or representation and warranty). For the avoidance of doubt, if the Borrower has made an LCT Election and any of the ratios, baskets, representations and warranties or “Default” or “Event of Default” blocker for which compliance was determined or tested as of the LCT Test Date would thereafter have failed to have been satisfied as a result of fluctuations in any such ratio or basket, including due to fluctuations in Consolidated EBITDA, Unrestricted Cash, Consolidated Total Funded Indebtedness or Consolidated Total Assets or otherwise, at or prior to the consummation of the relevant transaction or action, such baskets, ratios, representations and warranties or “Default” or “Event of Default” blocker will not be deemed to have failed to have been satisfied as a result of such fluctuations. If the Borrower has made an LCT Election for any Limited Condition Transaction, then in connection with any subsequent calculation of any ratio or basket on or following the relevant LCT Test Date and prior to the earlier of (i) the date on which such Limited Condition Transaction is consummated or (ii) the date that the definitive agreement (or in the case of an LCT Transaction that involves some other manner of establishing a binding obligation under local law, such other binding obligation to consummate such transaction) for such Limited Condition Transaction is terminated or expires, or the date for redemption, repurchase, defeasance, satisfaction and discharge or repayment specified in an irrevocable notice for such Limited Condition Transaction expires or passes, in each case without consummation of such Limited Condition Transaction, any such ratio (other than any Financial Covenant under Section 6.08) or basket (x) shall be calculated on a Pro Forma Basis assuming such Limited Condition Transaction and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have been consummated and (y) with respect to any Restricted Debt Payments or Dividends only (and only until such time as the applicable Limited Condition Transaction has been consummated or the definitive documentation for such Limited Condition Transaction is terminated), also on a standalone basis without giving effect to such Limited Condition Transaction and the other transactions in connection therewith. Notwithstanding the foregoing provisions of this paragraph or any other provision of this Agreement, any unfunded Commitments outstanding at any time in respect of any individual Incremental Facility pursuant to Section 2.20 established to finance an LCT Transaction may be terminated only by the lenders holding more than 50% of the aggregate amount of the Commitments in respect of such Incremental Facility (or by the Administrative Agent acting at the request of such Lenders), and not, for the avoidance of doubt, automatically or by the Required Lenders or any other Lenders (or by the Administrative Agent acting at the request of the Required Lenders or any other Lenders).

Section 1.07 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York City time.

Section 1.08 Deliveries. Notwithstanding anything herein to the contrary, whenever any document, agreement or other item is required by any Loan Document to be delivered or completed on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day.

Section 1.09 Schedules and Exhibits. All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

Section 1.10 Currency Generally. For purposes of determining compliance with Section 6.01, 6.02, 6.03, 6.04, 6.05, 6.06, 6.07 or 6.09, with respect to any Indebtedness, Liens, Investments, liquidations, dissolutions, mergers, consolidations, Asset Sales or other dispositions, Dividends, affiliate transactions or Restricted Debt Payments in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of currency exchange occurring after the time Holdings or one of its Restricted Subsidiaries is contractually obligated to incur, enter into, make or acquire such Indebtedness, Liens, Investments, liquidations, dissolutions, mergers, consolidations, Asset Sales or other dispositions, Dividends, affiliate transactions or Restricted Debt Payments (so long as, at the time of entering into the contract to incur, enter into, make or acquire such Indebtedness, Liens, Investments, liquidations, dissolutions, mergers, consolidations, Asset Sales or other dispositions, Dividends, affiliate transactions or Restricted Debt Payments, such transaction was permitted hereunder) and once contractually obligated to be incurred, entered into, made or acquired, the amount of such Indebtedness, Liens, Investments, liquidations, dissolutions, mergers, consolidations, Asset Sales or other dispositions, Dividends, affiliate transactions or Restricted Debt Payments, shall be always deemed to be at the Dollar amount on such date, regardless of later changes in currency exchange rates.

Section 1.11 Basket Amounts and Application of Multiple Relevant Provisions. Notwithstanding anything to the contrary, (a) unless specifically stated otherwise herein, any dollar, number, percentage or other amount available under any carve-out, basket, exclusion or exception to any affirmative, negative or other covenant in this Agreement or the other Loan Documents may be accumulated, added, combined, aggregated or used together by any Credit Party and its Subsidiaries without limitation for any purpose not prohibited hereby, and (b) any action or event permitted by this Agreement or the other Loan Documents need not be permitted solely by reference to one provision permitting such action or event but may be permitted in part by one such provision and in part by one or more other provisions of this Agreement and the other Loan Documents. For purposes of determining compliance with Article VI, other than with respect to Sections 6.06 and 6.09 thereof, in the event that any Lien, Investment, liquidation, dissolution merger, consolidation, Indebtedness (whether at the time of incurrence or upon application of all or a portion of the proceeds thereof), disposition, Dividend, Affiliate transaction, contractual requirement or prepayment of Indebtedness meets the criteria of one, or more than one, of the “baskets” or categories of transactions then permitted pursuant to any clause or subsection of Article VI, other than with respect to Sections 6.06 and 6.09 thereof, such transaction (or any portion thereof) at any time shall be permitted under one or more of such “baskets” or categories at the time of such transaction or any later time from time to time, in each case, as determined by the Borrower in its sole discretion at such time and thereafter may be reclassified or divided (as if incurred at such later time) by the Borrower in any manner not expressly prohibited by this Agreement, and such Lien, Investment, liquidation, dissolution merger, consolidation,

Indebtedness, disposition, Dividend, Affiliate transaction, contractual requirement or prepayment of Indebtedness (or any portion thereof) shall be treated as having been incurred or existing pursuant to only such "basket" or category of transactions or "baskets" or categories of transactions (or any portion thereof) without giving pro forma effect to such item (or portion thereof) when calculating the amount of Liens, Investments, liquidations, dissolutions, mergers, consolidations, Indebtedness, dispositions, Dividends, Affiliate transactions, contractual requirements or prepayments of Indebtedness, as applicable, that may be incurred pursuant to any other "basket" or category of transactions.

Section 1.12 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; *provided, however*, that with respect to any Letter of Credit that, by its terms or the terms of any LC Request or other letter of credit application related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such times.

## **ARTICLE II THE CREDITS**

Section 2.01 Commitments. Subject to the terms and conditions herein set forth, each Lender agrees, severally and not jointly:

(a) Term Loans. To make a Term Loan to the Borrower on the Closing Date in the principal amount of its Term Loan Commitment; and

(b) Revolving Loans. To make Revolving Loans, upon the terms and conditions set forth herein, to the Borrower at any time and from time to time on or after the Closing Date until the earlier of the Revolving Maturity Date and the termination of the Revolving Commitment of such Lender in accordance with the terms hereof, in an aggregate principal amount at any time outstanding that (i) will not result in such Lender's Revolving Exposure exceeding such Lender's Revolving Commitment and (ii) will not, after giving effect thereto and to the application of the proceeds thereof, at any time result in the aggregate principal amount of the Revolving Exposure outstanding at such time exceeding the Total Revolving Commitment then in effect; *provided* that no Revolving Loans may be drawn on the Closing Date except for Permitted Closing Date Revolving Advances; *provided, further* that no more than two (2) Revolving Loans may be made in any given month. The Revolving Loans may, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Revolving Loans or Eurodollar Revolving Loans; *provided*, that all Revolving Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Revolving Loans of the same Type.

Amounts paid or prepaid in respect of Term Loans may not be reborrowed. Within the limits set forth in clause (b) above and subject to the terms, conditions and limitations set forth herein, the Borrower may borrow, pay or prepay and reborrow Revolving Loans.

## Section 2.02 Loans.

(a) Each Loan shall be made as part of a Borrowing consisting of Loans made by the applicable Lenders ratably in accordance with their applicable Commitments; *provided* that the failure of any Lender to make its Loan shall not in itself relieve any other Lender of its obligation to lend hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to make any Loan required to be made by such other Lender). Except for Loans deemed made pursuant to Section 2.18(e)(ii), (x) ABR Loans comprising any Borrowing shall be in an aggregate principal amount that is (i) an integral multiple of \$100,000 and not less than the Minimum Borrowing Amount or (ii) equal to the remaining available balance of the applicable Commitments and (y) the Eurodollar Loans comprising any Borrowing shall be in an aggregate principal amount that is (i) an integral multiple of \$100,000 and not less than the Minimum Borrowing Amount or (ii) equal to the remaining available balance of the applicable Commitments.

(b) Subject to Sections 2.01, 2.11 and 2.12, each Borrowing shall be comprised entirely of ABR Loans or Eurodollar Loans as the Borrower may request pursuant to Section 2.03. Each Lender may at its option make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; *provided* that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement. More than one Borrowing may be incurred on any day, but at no time shall there be outstanding more than, in the case of Loans maintained as Eurodollar Loans, seven (7) Borrowings of such Loans in the aggregate. For purposes of the foregoing, Borrowings having different Interest Periods, regardless of whether they commence on the same date, shall be considered separate Borrowings.

(c) Except with respect to Loans deemed made pursuant to Section 2.18(e)(ii) or 2.01(a), each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds to such account as the Administrative Agent may designate not later than 12:00 (noon) New York City time, with respect to Eurodollar Loans, or 1:30 p.m. New York City time, with respect to ABR Loans, and upon receipt of all requested Loan funds, the Administrative Agent shall promptly credit all such requested amounts so received to an account as directed by the Borrower in the applicable Borrowing Request or, if a Borrowing shall not occur on such date because any condition precedent herein specified shall not have been met, return the amounts so received to the respective Lenders.

(d) Unless the Administrative Agent shall have received written notice from a Lender prior to the date (in the case of any Eurodollar Borrowing) and at least two (2) hours prior to the time (in the case of any ABR Borrowing) of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's portion of such Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent at the time of such Borrowing in accordance with clause (c) above, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If the Administrative Agent shall have so made funds available, then, to the extent that such Lender shall not have made such portion available to the Administrative Agent, each of such Lender and the Borrower severally agrees to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from

the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent at (i) in the case of the Borrower, the interest rate applicable at the time to the Loans comprising such Borrowing and (ii) in the case of such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount shall constitute such Lender's Loan as part of such Borrowing for the purposes of this Agreement, and the Borrower's obligation to repay the Administrative Agent such corresponding amount pursuant to this Section 2.02(d) shall cease.

(e) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Revolving Maturity Date or the Term Loan Maturity Date, as applicable.

Section 2.03 Borrowing Procedure. To request a Revolving Borrowing or Term Loan Borrowing, the Borrower shall deliver, by facsimile or other electronic transmission if arrangements for doing so have been approved in writing (including via email) by the Administrative Agent, a duly completed and executed Borrowing Request to the Administrative Agent (a) in the case of a Revolving Borrowing, not later than 12:00 p.m., New York City time (or such later time on such Business Day as may be reasonably acceptable to the Administrative Agent), three (3) Business Days before the date of the proposed Borrowing; *provided* that a Revolving Borrowing may not be requested more than twice per calendar month, or (b) in the case of Term Loan Borrowings to be made on the Closing Date, not later than 12:00 p.m., New York City time, (1) one Business Day before the date of the proposed Borrowing. Each Borrowing Request shall be irrevocable and shall specify the following information in compliance with Section 2.02:

(a) whether the requested Borrowing is to be a Borrowing of Revolving Loans or Term Loans;

(b) the aggregate amount of such Borrowing;

(c) the date of such Borrowing, which shall be a Business Day;

(d) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing;

(e) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "**Interest Period**";

(f) the location and number of the account to which funds are to be disbursed; and

(g) with respect to each Credit Extension made after the Closing Date, that the conditions set forth in Section 4.02(b) and Section 4.02(c) will be satisfied or waived as of the date the requested Borrowing is made.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be a Eurodollar Borrowing with an Interest Period of one month's duration. If the Borrower requests a Eurodollar Borrowing but fails to specify an Interest Period, the Borrower will be deemed to have specified an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.04 Evidence of Debt; Repayment of Loans.

(a) Promise to Repay. The Borrower unconditionally promises to pay to the Administrative Agent (i) for the account of each Term Loan Lender, the principal amount of each Term Loan (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) of such Term Loan Lender as provided in Section 2.09 and (ii) for the account of each Revolving Lender, the then unpaid principal amount of each Revolving Loan of such Revolving Lender on the Revolving Maturity Date.

(b) Lender and Administrative Agent Records. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest (including PIK Interest) payable and paid to such Lender from time to time under this Agreement. The Administrative Agent shall maintain accounts in which it will record (i) the amount of each Loan made hereunder, the Type and Class thereof and the Interest Period applicable thereto; (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder; and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof. The entries made in the accounts maintained pursuant to this paragraph shall be *prima facie* evidence of the existence and amounts of the obligations therein recorded; *provided* that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligations of the Borrower to repay the Loans in accordance with their terms. In the event of any conflict between the records maintained by any Lender and the records of the Administrative Agent in respect of such matters, the records of the Administrative Agent shall control in the absence of manifest error.

(c) Promissory Notes. Any Lender by written notice to the Borrower (with a copy to the Administrative Agent) may request that Loans of any Class made by it be evidenced by a Note. In such event, the Borrower shall prepare, execute and deliver to such Lender a Note payable to such Lender or its registered assigns in the form of Exhibit G-1 or G-2, as the case may be. Thereafter, the Loans evidenced by such Note and interest thereon shall at all times (including after assignment pursuant to Section 10.04) be represented by one or more Notes in such form payable to the payee named therein or its registered assigns.

Section 2.05 Fees.

(a) Commitment Fee. The Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender (subject to Section 2.19, in the case of a Defaulting Lender) a commitment fee (a “**Commitment Fee**”) equal to the applicable percentage set forth in the definition of “Applicable Margin” per annum on the actual daily unused amount of the Revolving Commitment of such Revolving Lender during the period from and including the Closing Date to but excluding the date on which such Revolving Commitment terminates. Accrued Commitment Fees shall be payable in arrears (A) on the last Business Day of each March, June, September and December of each year, commencing on the first such date to occur after the Closing Date, and (B) on the date on which such Commitment terminates. Commitment Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). For purposes of computing Commitment Fees with respect to Revolving Commitments, a Revolving Commitment of a Lender shall be deemed to be used to the extent of the outstanding Revolving Loans and LC Exposure of such Lender; *provided* that for the purpose of calculations and payments pursuant to this Section 2.05, the Revolving Commitment of each Defaulting Lender shall be deemed equal to \$0.

(b) Administrative Agent Fees. The Borrower agrees to pay to the Administrative Agent, for its own account, the administrative fees payable in the amounts and at the times set forth in the “Fee Letter” (the “**Administrative Agent Fee**”).

(c) LC Participation and Fronting Fees. The Borrower agrees to pay (i) to the Administrative Agent for the account of each Revolving Lender a participation fee (“**LC Participation Fee**”) in Dollars with respect to its participations in Letters of Credit, which shall accrue at a rate equal to the Applicable Margin from time to time for the LC Participation Fee on the actual daily amount of such Lender’s LC Exposure (excluding any portion thereof attributable to Reimbursement Obligations) during the period from and including the Closing Date to but excluding the later of the date on which such Lender’s Revolving Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to the Issuing Bank a fronting fee (“**Fronting Fee**”) in Dollars which shall accrue at a rate of 0.125% per annum on the actual daily amount of the LC Exposure (excluding any portion thereof attributable to Reimbursement Obligations) during the period from and including the Closing Date to but excluding the later of the date of termination of the Revolving Commitments and the date on which there ceases to be any LC Exposure, as well as such Issuing Bank’s reasonable customary fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Accrued LC Participation Fees and Fronting Fees shall be payable in arrears (i) on the last Business Day of each March, June, September and December of each year, commencing on the first such date to occur after the Closing Date, and (ii) on the date on which the Revolving Commitments terminate. Any such fees accruing after the date on which the Revolving Commitments terminate shall be payable promptly on written demand. Any other fees payable to the applicable Issuing Bank pursuant to this paragraph shall be payable within ten (10) Business Days after written demand therefor. All LC Participation Fees and Fronting Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(d) [Reserved].

(e) Fee Letter. Without duplication of any other fees set forth in this Section 2.05, the Borrower agrees to pay the fees set forth in the Fee Letter at the times and in the manner set forth therein.

(f) All Fees shall be paid on the dates due, in immediately available funds, to the Administrative Agent for distribution, if and as appropriate, among the applicable Lenders, except that the Borrower shall pay the Fronting Fees directly to the Issuing Bank. Once paid when due and payable, none of the Fees shall be refundable under any circumstances.

Section 2.06 Interest on Loans.

(a) ABR Loans. Subject to the provisions of Section 2.06(c), the Loans comprising each ABR Borrowing, shall bear interest at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin in effect from time to time.

(b) Eurodollar Loans. Subject to the provisions of Section 2.06(c), the Loans comprising each Eurodollar Borrowing shall bear interest at a rate per annum equal to the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin in effect from time to time.

(c) Default Rate. Notwithstanding the foregoing, upon the occurrence and during the existence of an Event of Default under Sections 8.01(a), (b), (g) or (h), the overdue Obligations hereunder shall bear interest, after as well as before judgment, at a *per annum* rate equal to (i) in the case of amounts constituting principal (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans), premium, if any, or interest on any Loan, 2.00% plus the rate otherwise applicable to such Loan as provided in Section 2.06(a) and Section 2.06(b), (ii) in the case of amounts constituting the aggregate principal amount of, or interest on, all LC Disbursements, 2.00% plus the rate otherwise applicable as provided in Section 2.18(h) or (iii) in the case of any other Obligations, 2.00% plus the rate applicable to ABR Loans as provided in Section 2.06(a) (in either case, the “**Default Rate**”).

(d) Interest Payment Dates. Accrued interest (excluding PIK Interest that has not yet been capitalized and added to the principal balance of the Term Loans (which PIK Interest shall be payable in accordance with clause (f) below)) on each Loan shall be payable in arrears on each Interest Payment Date for such Loan; *provided* that (i) interest accrued pursuant to Section 2.06(c) shall be payable on written demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan without a permanent reduction in Revolving Commitments), accrued interest on the principal amount (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) repaid or prepaid shall be payable on the date of such repayment or prepayment, (iii) in the event of any conversion of any Eurodollar Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion and (iv) PIK Interest payable pursuant to Section 2.06(f) below shall be capitalized and constitute principal (for all purposes hereunder) pursuant to Section 2.06(f).

(e) Interest Calculation. All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Base Rate in clause (a) of the definition of “Alternate Base Rate” shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate or Adjusted LIBO Rate shall be determined by the Administrative Agent in accordance with the provisions of



this Agreement and such determination shall be deemed conclusive absent manifest error. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid within the time periods specified herein; provided that any Loan that is repaid on the same day on which it is made shall bear interest for one day.

(f) PIK Interest; PIK Interest Payment Dates.

(i) Solely during any PIK Interest Accrual Period, the Term Loans shall bear additional interest at a rate per annum equal to 1.25% (**“PIK Interest”**).

(ii) Accrued PIK Interest on each Term Loan shall be payable in kind in arrears on each PIK Interest Payment Date.

(iii) All PIK Interest due and payable pursuant to this Section 2.06(f) shall be paid by capitalizing such interest and adding such applicable PIK Interest to the principal amount of the outstanding Term Loans, on a pro rata basis, in an amount equal to the amount of PIK Interest which is then due and payable, and once paid, such PIK Interest shall automatically constitute a part of the outstanding principal amount of the Term Loans for all purposes hereof (including the accrual of interest thereon).

(iv) On the date on which any PIK Interest is paid and capitalized pursuant to this Section 2.06(f), Borrower shall be entitled to make an Interest Election Request pursuant to Section 2.08(b) as if such capitalized PIK Interest was an additional Term Loan made on such date; provided, that (i) if no such election is made and the PIK Interest Payment Date does not coincide with an Interest Period applicable to any other Term Loans, Borrower shall be deemed to have elected an Interest Period applicable to a Eurodollar Borrowing with an Interest Period of one (1) month's duration and (ii) if the PIK Interest Payment Date coincides with an Interest Period applicable to any other Term Loans, which is either being automatically continued pursuant to Section 2.08(c) or otherwise elected by Borrower pursuant to Section 2.08(b), Borrower shall be deemed to have elected to include such capitalized PIK Interest in the then continuing Eurodollar Borrowing (with the same Interest Period as such continuing Term Loans) or the then elected Eurodollar Borrowing (with the same Interest Period as such election); provided, that notwithstanding anything to the contrary herein, no PIK Interest shall be required to be paid and capitalized prematurely as a result of any assignment pursuant to Section 10.04(b) and any accrued and unpaid PIK Interest on the principal amount of any Term Loan so assigned shall be paid and capitalized when and as required pursuant to this Section 2.06(f); provided, however, that notwithstanding the foregoing, the applicable Assignment and Assumption shall contain provisions requiring the assignee of any “assigned interest” thereunder to purchase any accrued and unpaid PIK Interest from the assignor thereunder on the applicable trade date.

#### Section 2.07 Termination and Reduction of Commitments.

(a) Termination of Commitments. The Term Loan Commitments shall automatically terminate at 5:00 p.m., New York City time (or such later time as may be reasonably determined by the Administrative Agent), on the Closing Date. The Revolving Commitments and the LC Commitment shall automatically terminate on the Revolving Maturity Date.

(b) Optional Terminations and Reductions. At its option, the Borrower may at any time terminate, or from time to time, without premium or penalty (except as provided in Section 2.10(j) and Section 2.13), permanently reduce, the Commitments of any Class; *provided* that (i) each reduction of the Commitments of any Class shall be in an amount that is an integral multiple of \$100,000 and not less than \$250,000 and (ii) the Revolving Commitments shall not be terminated or reduced if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 2.10, the aggregate amount of Revolving Exposures would exceed the aggregate amount of Revolving Commitments.

(c) Borrower Notice. The Borrower shall notify the Administrative Agent in writing of any election to terminate or reduce the Commitments under Section 2.07(b) at least three (3) Business Days, or such shorter period as the Administrative Agent may agree in its sole discretion, prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any such notice, the Administrative Agent shall advise the applicable Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section 2.07(c) shall be irrevocable; *provided* that a notice of termination of the Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of any other credit facilities or the closing of any securities offering, or the occurrence of any other event specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. With respect to the effectiveness of any such other credit facilities or the closing of any such securities offering, the Borrower may extend the date of termination at any time with the consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed). Any termination or reduction of the Commitments of any Class shall be permanent. Each reduction of the Commitments of any Class shall be made ratably among the Lenders in accordance with their respective Commitments of such Class.

#### Section 2.08 Interest Elections.

(a) Generally. Each Revolving Borrowing and Term Loan Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) Interest Election Notice. To make an election pursuant to this Section, the Borrower shall deliver, by hand delivery or facsimile or other electronic transmission if arrangements for doing so have been approved in writing (including via email) by the Administrative Agent, a duly completed and executed Interest Election Request to the Administrative Agent not later than the time that a Borrowing Request would be required under

Section 2.03 if the Borrower were requesting a Revolving Borrowing or Term Loan Borrowing of the Type resulting from such election to be made on the effective date of such election. Each Interest Election Request shall be irrevocable. Each Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, or if outstanding Borrowings are being combined, allocation to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below, as applicable, shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period."

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one (1) month's duration.

Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(c) Automatic Conversion. If an Interest Election Request with respect to a Eurodollar Borrowing is not timely delivered prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid or prepaid as provided herein, at the end of such Interest Period such Borrowing shall be continued as a Eurodollar Borrowing with an Interest Period of one month's duration. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, the Administrative Agent or the Required Lenders may require, by notice to the Borrower, that (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing, and (ii) unless repaid or prepaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

Section 2.09 Amortization of Term Loan Borrowings. No amortization shall be required prior to the Term Loan Maturity Date. To the extent not previously paid, all Term Loans shall be due and payable on the Term Loan Maturity Date (including any PIK Interest accrued thereon).

Section 2.10 Optional and Mandatory Prepayments of Loans.

(a) Optional Prepayments. The Borrower shall have the right at any time and from time to time to prepay Revolving Loans and Term Loans without premium or penalty (except as and to the extent provided in Section 2.10(j) or Section 2.13), subject to the requirements of this Section 2.10; *provided* that each partial prepayment of (x) any Term Loans shall be in a multiple of \$250,000 and in an aggregate principal amount of at least \$250,000, and (y) any Revolving Loans shall be in a multiple of \$100,000 and not less than \$250,000 or, if less, the outstanding amount of such Borrowing.

(b) Revolving Loan Prepayments.

(i) In the event of the termination of all the Revolving Commitments in accordance with the terms hereof, the Borrower shall, on the date of such termination, repay or prepay all of its outstanding Revolving Borrowings and, at the Borrower's option, either replace or backstop (on terms and conditions acceptable to the applicable Issuing Bank) all outstanding Letters of Credit or cash collateralize all outstanding Letters of Credit in accordance with the procedures set forth in Section 2.18(i).

(ii) In the event of any partial reduction of the Revolving Commitments in accordance with the terms hereof, then (x) at or prior to the effective date of such reduction, the Administrative Agent shall notify the Borrower and the Revolving Lenders of the sum of the Revolving Exposures after giving effect thereto and (y) if the sum of the Revolving Exposures would exceed the aggregate amount of Revolving Commitments after giving effect to such reduction, then the Borrower shall, on the date of such reduction, *first*, repay or prepay Revolving Borrowings and *second*, at the Borrower's option, either replace or backstop (on terms and conditions acceptable to the applicable Issuing Bank) outstanding Letters of Credit or cash collateralize outstanding Letters of Credit in accordance with the procedures set forth in Section 2.18(i), in an aggregate amount sufficient to eliminate such excess.

(iii) In the event that at any time the sum of all Lenders' Revolving Exposures exceeds the Revolving Commitments then in effect, the Borrower shall, without notice or demand, immediately *first*, repay or prepay Revolving Borrowings, and *second*, at the Borrower's option, either replace or backstop (on terms and conditions acceptable to the applicable Issuing Bank) outstanding Letters of Credit or cash collateralize outstanding Letters of Credit in accordance with the procedures set forth in Section 2.18(i), in an aggregate amount sufficient to eliminate such excess.

(iv) In the event that the aggregate LC Exposure exceeds the LC Sublimit then in effect, the Borrower shall, without notice or demand, immediately, at the Borrower's option, either replace or backstop (on terms and conditions acceptable to the applicable Issuing Bank) outstanding Letters of Credit or cash collateralize outstanding Letters of Credit in accordance with the procedures set forth in Section 2.18(i), in an aggregate amount sufficient to eliminate such excess.

(c) Asset Sales. Not later than ten (10) Business Days following the receipt of any Net Cash Proceeds of any Asset Sale by any Group Member (other than any issuance or sale of Equity Interests to or from any Group Member to another Group Member not prohibited hereunder) and excluding sales and dispositions otherwise permitted under Section 6.05 (other than clause (b) thereof), the Borrower shall apply an aggregate amount equal to 100% of such Net Cash Proceeds to make prepayments in accordance with Sections 2.10(h) and 2.10(i); *provided* that:

(i) no such prepayment shall be required under this clause (c) (A) with respect to any disposition of property which constitutes a Casualty Event, or (B) to the extent the Net Cash Proceeds from any single Asset Sale do not result in more than \$1,250,000 or the aggregate amount of Net Cash Proceeds from all such Assets Sales, together with all Casualty Events, do not exceed \$5,500,000 in any 12 month period (the “**Asset Sale Threshold**” and the Net Cash Proceeds in excess of the Asset Sale Threshold, the “**Excess Net Cash Proceeds**”);

(ii) so long as (x) on or prior to June 30, 2021, no Event of Default under Section 8.01(a), (b), (d) (solely with respect to the failure to comply with Section 6.08), (g), (h) or (m) (solely with respect to the failure to comply with the financial reporting requirements set forth in Section 5.01(a) or (b)) shall have occurred and be continuing and (y) after June 30, 2021, no Event of Default under Section 8.01(a), (b), (g) or (h) shall have occurred and be continuing, such proceeds with respect to any such Asset Sale shall not be required to be so applied on such date to the extent that the Borrower shall have notified the Administrative Agent on or prior to such date stating that such Excess Net Cash Proceeds are expected to be reinvested in assets used or useful in the business of any Group Member (including pursuant to a Permitted Acquisition, Investment or Capital Expenditure) or to be contractually committed to be so reinvested, within 18 months (or within 24 months following receipt thereof if a contractual commitment to reinvest is entered into within 18 months following receipt thereof) following the date of such Asset Sale; *provided* that if the Property subject to such Asset Sale constituted Collateral, then all Property purchased or otherwise acquired with the Excess Net Cash Proceeds thereof pursuant to this subsection shall be made subject to the first priority perfected Lien (subject to Permitted Liens) of the applicable Security Documents in favor of the Collateral Agent, for its benefit and for the benefit of the other Secured Parties in accordance with Section 5.10 and 5.11; and

(iii) if all or any portion of such Excess Net Cash Proceeds that are subject to clause (ii) immediately above is neither reinvested nor contractually committed to be so reinvested within such 18 month period (and actually reinvested within 24 months of the receipt of the Net Cash Proceeds related thereto), such unused portion shall be applied within ten (10) Business Days after the last day of such period as a mandatory prepayment as provided in this Section 2.10(c).

(d) Debt Issuance. Not later than one (1) Business Day following the receipt of any Net Cash Proceeds of any Debt Issuance by any Group Member (or concurrently with the receipt of Net Cash Proceeds of any Debt Issuance by any Group Member in connection with a refinancing facility under Section 2.22), the Borrower shall make prepayments in accordance with Section 2.10(h) and (i) in an aggregate principal amount equal to 100% of such Net Cash Proceeds.

(e) Casualty Events. Not later than ten (10) Business Days following the receipt of any Net Cash Proceeds from a Casualty Event by any Group Member, the Borrower shall apply an amount equal to 100% of such Net Cash Proceeds to make prepayments in accordance with Section 2.10(h) and (i); *provided* that

(i) such Net Cash Proceeds shall not be required to be so applied on such date to the extent that (A) such Net Cash Proceeds shall be less than \$1,250,000 per Casualty Event or an aggregate amount of Net Cash Proceeds from all such Casualty Events, together with Assets Sales, shall be less than \$5,500,000 in any twelve month period (the “**Casualty Event Threshold**”), or (B) in the event that such Net Cash Proceeds exceed the Casualty Event Threshold, the Borrower shall have notified the Administrative Agent on or prior to such date stating that such proceeds in excess of the Casualty Event Threshold are expected (x) to be used to repair, replace or restore any Property in respect of which such Net Cash Proceeds were paid or to reinvest in other fixed or Capital Assets or assets that are otherwise used or useful in the business of the Group Members (including pursuant to a Permitted Acquisition, investment or Capital Expenditure), or (y) to be contractually committed to be so reinvested, in each case, no later than 12 months (or within 18 months following receipt thereof if such contractual commitment to reinvest has been entered into within 12 months following receipt thereof) following the date of receipt of such proceeds; *provided* that if the Property subject to such Casualty Event constituted Collateral, then all Property purchased or otherwise acquired with the Excess Net Cash Proceeds thereof pursuant to this subsection shall be made subject to the first priority perfected Lien (subject to Permitted Liens) of the applicable Security Documents in favor of the Collateral Agent, for its benefit and for the benefit of the other Secured Parties in accordance with Section 5.10 and 5.11; and

(ii) if all or any portion of such Net Cash Proceeds that are subject to clause (i) immediately above is neither reinvested nor contractually committed to be so reinvested within such 12 month period (and actually reinvested within 18 months of the receipt of the Net Cash Proceeds related thereto), such unused portion shall be applied within ten (10) Business Days after the last day of such period as a mandatory prepayment as provided in this Section 2.10(e).

(f) Excess Cash Flow. No later than ten (10) Business Days after the date on which the financial statements with respect to each fiscal year of Holdings ending on or after December 31, 2019 in which an Excess Cash Flow Period occurs are required to be delivered pursuant to Section 5.01(a), the Borrower shall, if and to the extent Excess Cash Flow for such Excess Cash Flow Period exceeds \$1,250,000, make prepayments of Term Loans in accordance with Section 2.10(h) and (i) in an aggregate amount equal to (A) the Applicable ECF Percentage of Excess Cash Flow for the Excess Cash Flow Period then ended (for the avoidance of doubt, including the \$1,250,000 floor referenced above) (B) *minus* \$1,250,000 *minus* (C) at the option of the Borrower, the aggregate principal amount of (x) any Term Loans, Incremental Term Loans, Revolving Loans or Incremental Revolving Loans (or, in each case, any Credit Agreement Refinancing Indebtedness in respect thereof), in each case prepaid pursuant to Section 2.10(a), Section 2.16(b)(B) or Section 10.02(e)(i) (or pursuant to the corresponding provisions of the documentation governing any such Credit Agreement Refinancing Indebtedness) (in the case of any prepayment of Revolving Loans and/or Incremental Revolving Loans, solely to the extent accompanied by a corresponding permanent reduction in the Revolving Commitment), during the applicable Excess Cash Flow Period (or, at the option of the Borrower and without duplication,

after such Excess Cash Flow Period and prior to such calculation) and (y) the amount of any reduction in the outstanding amount of any Term Loans or Incremental Term Loans resulting from any assignment made in accordance with Section 10.04(b)(vii) of this Agreement (or the corresponding provisions of any Credit Agreement Refinancing Indebtedness issued in exchange therefor), during the applicable Excess Cash Flow Period (or, at the option of the Borrower and without duplication, after such Excess Cash Flow Period and prior to such calculation), and in the case of all such prepayments or buybacks, to the extent that (1) such prepayments or buybacks were financed with sources other than the proceeds of long-term Indebtedness (other than revolving Indebtedness to the extent intended to be repaid from operating cash flow) of Holdings or its Restricted Subsidiaries and (2) such prepayments or buybacks did not reduce the amount required to be prepaid pursuant to this Section 2.10(f) in any prior Excess Cash Flow Period (such payment, the “**ECF Payment Amount**”).

(g) Notwithstanding the foregoing, mandatory prepayments made pursuant to clauses (c), (e) and (f) above by or with respect to Foreign Subsidiaries shall be limited, and there shall be no requirement to make any such prepayment, to the extent that the Borrower reasonably determines that such prepayment or the obligation to make such prepayment could reasonably be expected to result in adverse tax consequences (including the imposition of any withholding taxes) to Holdings and its Restricted Subsidiaries or any of their Affiliates and/or their equity partners that are not *de minimis* related to the repatriation of funds or would reasonably be expected to be prohibited, restricted or delayed by applicable law. All prepayments referred to in clauses (c), (e) and (f) above are subject to permissibility under local law (*e.g.*, financial assistance, corporate benefit, thin capitalization, capital maintenance and similar legal principles, foreign exchange controls, restrictions on upstreaming of cash intra-group and the fiduciary and statutory duties of the directors of the relevant Restricted Subsidiaries) and under any applicable Organizational Documents (including as a result of minority ownership, but not with respect to any immaterial restrictions therein) and under any other material agreements to which a Foreign Subsidiary is party (so long as any such prohibition is not created in contemplation of such mandatory prepayment requirement). The non-application of any such prepayment amounts as a result of the foregoing provisions will not constitute a Default or an Event of Default and such amounts shall be available for working capital purposes of Holdings and its Restricted Subsidiaries as long as not required to be prepaid in accordance with the following provisions. The Borrower will undertake to use commercially reasonable efforts for a period of no greater than twelve (12) months to overcome or eliminate any such restriction and/or minimize any such costs of prepayment and/or use the other cash resources of the Borrower and its Restricted Subsidiaries (subject to the considerations above and as determined in the Borrower’s reasonable business judgment) to make the relevant payment. If at any time within twelve (12) months of a mandatory prepayment pursuant to clauses (c), (e) or (f) being forgiven due to such restrictions, or such restrictions are removed, any relevant proceeds will at the end of the then current interest period be applied in prepayment in accordance with Section 2.10(h). Notwithstanding the foregoing, any prepayments made after application of the above provision shall be net of any costs, expenses or taxes incurred by Holdings and its Restricted Subsidiaries or any of its affiliates or equity partners and arising as a result of compliance with the preceding sentence, and Holdings and its Restricted Subsidiaries shall be permitted to make, directly or indirectly, a dividend or distribution to its affiliates in an amount sufficient to cover such tax liability, costs or expenses.

(h) Application of Prepayments. Prior to any optional or mandatory prepayment hereunder, the Borrower shall select the Borrowing or Borrowings to be prepaid and shall specify such selection in the notice of such prepayment pursuant to Section 2.10(i), subject to the provisions of this Section 2.10(h). Any prepayments of Term Loans pursuant to Section 2.10(a) shall be applied as directed by the Borrower. Any prepayments pursuant to Section 2.10(c), (d), (e) and (f), shall be applied *pro rata* amongst each Tranche of outstanding Term Loans and, within each Tranche, first, to accrued interest and fees with respect to Term Loans being prepaid and second, to reduce the remaining principal amount of the Term Loan (or any equivalent provision applicable to any Tranche of Term Loans extended hereunder after the Closing Date), in direct order of maturity). After application of mandatory prepayments of Term Loans described above in this Section 2.10(h) and to the extent there are mandatory prepayment amounts remaining after such application, such amounts shall be applied, first, to ratably reduce outstanding Revolving Loans in an aggregate amount equal to such excess (without a corresponding reduction of the Revolving Commitments) and, second, to ratably cash collateralize any outstanding Letters of Credit in an aggregate amount equal to such excess (without a corresponding reduction of the Revolving Commitments), and the Borrower shall comply with Section 2.10(b).

Amounts to be applied pursuant to Section 2.10(h) to the prepayment of Term Loans or Revolving Loans shall be applied, as applicable, first to reduce outstanding ABR Loans. Any amounts remaining after each such application shall be applied to prepay Eurodollar Loans, as applicable. Notwithstanding the foregoing, if the amount of any prepayment of Loans required under this Section 2.10 shall be in excess of the amount of the ABR Loans at the time outstanding (an “**Excess Amount**”), if the Borrower has given notice to the Lenders of such prepayment and the Lenders have indicated to the Borrower that breakage payments shall be required under Section 2.13 in respect of such Excess Amount, only the portion of the amount of such prepayment as is equal to the amount of such outstanding ABR Loans shall be immediately prepaid and the Excess Amount shall be either, at the election of the Borrower, (A) deposited in an escrow account and applied to the prepayment of Eurodollar Loans on the last day of the then next-expiring Interest Period for Eurodollar Loans; *provided that* (i) interest in respect of such Excess Amount shall continue to accrue thereon at the rate provided hereunder for the Loans which such Excess Amount is intended to repay until such Excess Amount shall have been used in full to repay such Loans and (ii) at any time while an Event of Default has occurred and is continuing, the Administrative Agent may, and upon written direction from the Required Lenders shall, apply any or all proceeds then on deposit to the payment of such Loans in an amount equal to such Excess Amount or (B) prepaid immediately, together with any amounts owing to the Lenders under Section 2.13.

Notwithstanding anything herein to the contrary, with respect to any prepayment under Section 2.10(c), (e) or (f), the Borrower may use a portion of the Net Cash Proceeds to prepay or repurchase Permitted Pari Passu Refinancing Debt and any other senior Indebtedness in each case secured by the Collateral on a *pari passu* basis with the Liens securing the Obligations (the “**Applicable Other Indebtedness**”) to the extent required pursuant to the terms of the documentation governing such Applicable Other Indebtedness, in which case, the amount of the prepayment required to be offered with respect to such Net Cash Proceeds pursuant to Section 2.10(c), (e) or (f) shall be deemed to be the amount equal to the product of (x) the amount of such Net Cash Proceeds multiplied by (y) a fraction, the numerator of which is the outstanding principal amount of Term Loans required to be prepaid pursuant to Section 2.10(c), (e) or (f) and the denominator of which is the sum of the outstanding principal amount of such Applicable Other Indebtedness and the outstanding principal amount of Term Loans required to be prepaid pursuant to Section 2.10(c), (e) or (f).



(i) Notice of Prepayment. The Borrower shall notify the Administrative Agent by written notice of any prepayment hereunder (i) in the case of prepayments of a Eurodollar Borrowing, not later than 12:00 p.m., New York City time three (3) Business Days before the date of prepayment (or such later time as may be agreed by the Administrative Agent) and (ii) in the case of prepayment of an ABR Borrowing, not later than 12:00 p.m. New York City time two (2) Business Days prior to the date of prepayment (or such later time as may be agreed by the Administrative Agent). Each such notice shall be irrevocable; *provided* that a notice of prepayment delivered by the Borrower may state that such notice is conditioned upon the effectiveness of any such other credit facilities or the closing of any such securities offering, or the occurrence of any other event specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. With respect to the effectiveness of any such other credit facilities or the closing of any such securities offering, the Borrower may extend the date of prepayment at any time with the consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed). Each such notice shall specify the Borrowing to be repaid, the prepayment date, the principal amount of each Borrowing or portion thereof to be prepaid and, in the case of a mandatory prepayment, a reasonably detailed calculation of the amount of such prepayment. Promptly following receipt of any such notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of a Credit Extension of the same Type as provided in Section 2.02, except as necessary to apply fully the required amount of a mandatory prepayment. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing and otherwise in accordance with this Section 2.10. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.06. Notwithstanding the foregoing, each Lender may reject all or a portion of its *pro rata* share of any mandatory prepayment (such declined amounts, the “**Declined Proceeds**”) of Term Loans required to be made pursuant to clauses (c), (d) (other than mandatory prepayments with the proceeds of Credit Agreement Refinancing Indebtedness), (e) and (f) of this Section 2.10 by providing written notice (each, a “**Rejection Notice**”) to the Administrative Agent and the Borrower no later than 5:00 p.m. one (1) Business Day prior to the date of such prepayment; *provided* that no Sponsor Investor or Affiliated Debt Fund shall be permitted to reject any portion of its *pro rata* share of any mandatory prepayment to the extent that, after giving effect thereto, the Sponsor Investors and Affiliated Debt Funds would hold Term Loans and Refinancing Term Loans in excess of the applicable percentages permitted under Section 10.04(b). Each Rejection Notice from a given Lender shall specify the principal amount of the mandatory prepayment of Term Loans to be rejected by such Lender. If a Lender fails to deliver a Rejection Notice to the Administrative Agent within the time frame specified above or such Rejection Notice fails to specify the principal amount of the Term Loans to be rejected, any such failure will be deemed an acceptance of the total amount of such mandatory repayment of Term Loans. Any Declined Proceeds may be retained by the Borrower.

(j) Loan Call Protection. All prepayments of the Term Loans made or required to be made prior to the third anniversary of the Closing Date (whether voluntary or mandatory, as applicable, and whether before or after acceleration of the Obligations or the commencement of any bankruptcy or insolvency proceeding, but excluding mandatory prepayments made pursuant to Section 2.10(e) and (f), shall be subject to a premium (to be paid to Administrative Agent for the benefit of the Term Loan Lenders as liquidated damages and compensation for the costs of being prepared to make funds available hereunder with respect to the Loans) (the “**Applicable Prepayment Premium**”) equal to the principal amount of such prepayment multiplied by (I) three percent (3.0%), with respect to prepayments made on or after the Closing Date but prior to the first anniversary of the Closing Date, (II) one and a half percent (1.50%) with respect to prepayments made on or after the first anniversary of the Closing Date but prior to the second anniversary of the Closing Date, (III) three quarters of one percent (0.75%) with respect to prepayments made on or after the second anniversary of the Closing Date but prior to the third anniversary of the Closing Date and (IV) thereafter zero percent (0.0%); *provided* that, notwithstanding the foregoing, (a) no prepayments made pursuant to Section 2.10(c) shall be subject to any Applicable Prepayment Premium unless and except to the extent that Asset Sales are consummated that result in Net Cash Proceeds in excess of an amount equal to 25% of the aggregate principal amount of the Term Loans outstanding on the Closing Date, (b) the Applicable Prepayment Premium shall not apply to the extent prepayments of Term Loans are made in connection with any transaction that constitutes a Qualifying IPO or Change of Control and (c) for the avoidance of doubt, the Applicable Prepayment Premium shall not apply to voluntary prepayments of Loans to the extent constituting assignments to Sponsor Investors or Affiliated Debt Funds pursuant to Section 10.04(b)(v) (other than with respect to prepayments made pursuant to Section 10.02(e)). Notwithstanding anything to the contrary contained in this Agreement, to the extent that any Non-Consenting Lender is replaced pursuant to Section 10.02(e) due to such Lender’s failure to approve a consent, waiver or amendment, as the case may be, such Non-Consenting Lender shall be entitled to receive a premium in connection with such replacement or prepayment in the amount that would have been payable in respect of the Term Loans of such Non-Consenting Lender, as applicable, under this clause (j) had such Term Loans been the subject of a voluntary prepayment at such time. On or after the third anniversary of the Closing Date, no premiums shall be payable pursuant to this Section 2.10(j) in connection with any prepayments of the Term Loans other than LIBO Rate funding breakage costs as required under the terms of this Agreement.

Section 2.11 Alternate Rate of Interest. If prior to the commencement of any Interest Period for a Eurodollar Borrowing:

(a) the Administrative Agent determines in good faith and in its reasonable discretion (which determination shall be deemed presumptively correct absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Interest Period;

(b) the Administrative Agent determines in good faith and in its reasonable discretion or is advised in writing by the Required Lenders (which determination shall be deemed presumptively correct absent manifest error) that dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurodollar Loan; or

(c) the Administrative Agent determines in good faith and in its reasonable discretion or is advised in writing by the Required Lenders that the Adjusted LIBO Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for such Interest Period (collectively with the Loans described in clauses (a) and (b) above, the “**Impacted Loans**”);

then the Administrative Agent shall give written notice thereof to the Borrower and the Lenders as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist (which notice shall be delivered by the Administrative Agent within five (5) Business Days after such situation ceases to exist), (i) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective, and (ii) if any Borrowing Request requests a Eurodollar Borrowing, such Borrowing shall be made as an ABR Borrowing; *provided* that the Borrower may revoke any such Borrowing Request (without penalty) prior to such Borrowing upon written notice to the Administrative Agent.

Notwithstanding the foregoing, the Administrative Agent, in consultation with the affected Lenders, may, with the consent of the Borrower, establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans, (2) the Administrative Agent notifies the Borrower and the Lenders or the Required Lenders notify the Administrative Agent and the Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, or (3) any Lender determines that any Requirements of Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to any of the foregoing and provides the Administrative Agent and the Borrower written notice thereof.

Section 2.12 Yield Protection.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in, by any Lender (except any reserve requirement reflected in the Adjusted LIBO Rate) or the Issuing Bank;

(ii) subject the Administrative Agent, any Lender or the Issuing Bank to any Tax of any kind whatsoever (except for (A) Indemnified Taxes or (B) Excluded Taxes) with respect to this Agreement, any Letter of Credit, any participation in a Letter of Credit or any Loan made by it, or change the basis of taxation of payments to such Administrative Agent or Lender or the Issuing Bank in respect thereof; or

(iii) impose on the Administrative Agent, any Lender or the Issuing Bank or the London interbank market any other condition, cost or expense (other than any Taxes) affecting this Agreement or Eurodollar Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting or maintaining any Eurodollar Loan or any other Loan in the case of clause (ii) (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender, the Issuing Bank or such Lender's or the Issuing Bank's holding company, if any, of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by the Administrative Agent, such Lender or the Issuing Bank hereunder (whether of principal, interest or any other amount), then, upon written request of the Administrative Agent, such Lender or the Issuing Bank, as applicable, the Borrower will pay to the Administrative Agent, such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate the Administrative Agent, such Lender or the Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or the Issuing Bank determines (in good faith, in its reasonable discretion) that any Change in Law affecting such Lender or the Issuing Bank or any lending office of such Lender or such Lender's or the Issuing Bank's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Bank's capital or on the capital of such Lender's or the Issuing Bank's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the Issuing Bank, to a level below that which such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company, if any, would have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Bank's policies and the policies of such Lender's or the Issuing Bank's holding company, if any, with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company, if any, for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of the Administrative Agent, a Lender or the Issuing Bank, as applicable, setting forth the amount or amounts necessary to compensate the Administrative Agent, such Lender or the Issuing Bank or their respective holding companies, as the case may be, as specified in clause (a) or (b) of this Section 2.12, and setting forth in reasonable detail the calculation of the amount owed and the basis for the claim shall be delivered to the Borrower and shall be deemed presumptively correct absent manifest error. The Borrower shall pay the Administrative Agent, such Lender or the Issuing Bank, as the case may be, the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of the Administrative Agent, any Lender or the Issuing Bank to demand compensation pursuant to this Section 2.12 shall not constitute a waiver of the Administrative Agent's, such Lender's or the Issuing Bank's right to demand such compensation; *provided* that the Borrower shall not be required to compensate a Lender or the Issuing Bank pursuant to this Section 2.12 for any increased costs incurred or reductions suffered more than 180 days prior to the date that the Administrative Agent, such Lender or the Issuing Bank, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions pursuant to the certificate to be delivered in subsection (c) above and of the Administrative Agent, such Lender's or the Issuing Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180 day period referred to above shall be extended to include the period of retroactive effect thereof).

Section 2.13 Funding Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Eurodollar Loan on a day other than the last day of the Interest Period for such Loan; or

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan (other than an ABR Loan) on the date or in the amount notified by the Borrower including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 2.13, each Lender shall be deemed to have funded each Eurodollar Loan made by it at the LIBO Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Loan was in fact so funded.

Section 2.14 Payments Generally; Pro Rata Treatment; Sharing of Setoffs.

(a) Payments Generally. The Borrower shall make each payment required to be made by it hereunder or under any other Loan Document (whether of principal, interest, fees or Reimbursement Obligations, or of amounts payable under Sections 2.12, 2.13, 2.15 or 10.03, or otherwise) on or before the time expressly required hereunder or under such other Loan Document for such payment (or, if no such time is expressly required, prior to 3:00 p.m., New York City time), on the date when due, in immediately available funds, free and clear of, and without condition or deduction for, recoupment or setoff. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent to the applicable account designated to the Borrower by the Administrative Agent, except payments to be made directly to the Issuing Bank as expressly provided herein and except that payments pursuant to Sections 2.12, 2.13, 2.15 and 10.03 shall be made directly to the persons entitled thereto and payments pursuant to other Loan Documents shall be made to the persons specified therein. The Administrative Agent shall distribute any such payments received by it for the account of any other person to the appropriate recipient promptly following receipt thereof. If any payment under any Loan Document shall be due on a day that is not a Business Day, unless specified otherwise, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. Except as otherwise expressly provided herein, all

payments under each Loan Document shall be made in U.S. dollars. For the avoidance of doubt, notwithstanding any other provision of any Loan Document to the contrary, no payment received directly or indirectly from any Credit Party that is not a Qualified ECP Guarantor shall be applied directly or indirectly by the Administrative Agent or otherwise to the payment of any Excluded Swap Obligations.

(b) Pro Rata Treatment.

(i) Other than as permitted by Section 2.16(b), Section 2.20, Section 2.21, Section 2.22, Section 10.02(e), Section 10.02(f) and Section 10.04, subject to the express provisions of this Agreement which require, or permit, differing payments to be made to non-Defaulting Lenders as opposed to Defaulting Lenders, each payment by the Borrower of interest in respect of the Loans shall be applied to the amounts of such obligations owing to the Lenders *pro rata* according to the respective amounts then due and owing to the Lenders.

(ii) Other than as permitted by Section 2.20, Section 2.21, Section 2.22, Section 10.02 and Section 10.04, subject to the express provisions of this Agreement which require, or permit, differing payments to be made to non-Defaulting Lenders as opposed to Defaulting Lenders, (A) each payment by the Borrower on account of principal of the Term Loans (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) shall be allocated among the Term Loan Lenders *pro rata* based on the principal amount of the Term Loans held by the Term Loan Lenders; (B) each payment by the Borrower on account of principal of the Revolving Borrowings shall be made *pro rata* according to the respective outstanding principal amounts of the Revolving Loans then held by the Revolving Lenders; and (C) each permanent reduction in Revolving Commitments shall be *pro rata* according to the respective Revolving Commitments then held by the Revolving Lenders.

(c) Insufficient Funds. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, Reimbursement Obligations, interest and fees then due hereunder, such funds shall be applied (i) *first*, toward payment of interest (including accrued and unpaid PIK Interest) and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) *second*, toward payment of principal (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) and Reimbursement Obligations then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and Reimbursement Obligations then due to such parties. It is understood that the foregoing does not apply to any adequate protection payments under any federal, state or foreign bankruptcy, insolvency, receivership or similar proceeding, and that the Administrative Agent may, subject to any applicable federal, state or foreign bankruptcy, insolvency, receivership or similar orders, distribute any adequate protection payments it receives on behalf of the Lenders to the Lenders in its sole discretion (i.e., whether to pay the earliest accrued interest, all accrued interest on a *pro rata* basis or otherwise).

(d) Sharing of Setoff. Subject to the terms of any Intercreditor Agreement, if any Lender (and/or the Issuing Bank, which shall be deemed a "Lender" for purposes of this Section 2.14(d)) shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other Obligations resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other Obligations greater than its *pro rata* share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them; *provided that*:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this paragraph shall not be construed to apply to any payment (x) made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (y) obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to any Group Member (as to which the provisions of this Section 2.14 shall apply).

Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Requirements of Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation. If under applicable bankruptcy, insolvency or any similar law any Secured Party receives a secured claim in lieu of a setoff or counterclaim to which this Section 2.14(d) applies, such Secured Party shall to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights to which the Secured Party is entitled under this Section 2.14(d) to share in the benefits of the recovery of such secured claim.

(e) Borrower Default. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Bank hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Bank, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(f) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans, to fund participations in Letters of Credit and to make payments pursuant to Section 10.03(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 10.03(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loans, to purchase its participation or to make its payment under Section 10.03(c).

Section 2.15 Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Credit Parties hereunder or under any other Loan Document shall be made free and clear of and without reduction, deduction or withholding for any Taxes (“**Tax Withholdings**”); *provided* that if any Taxes are required by any applicable Requirements of Law to be withheld or deducted in respect of any such payments by any applicable withholding agent (as determined in the good faith discretion of an applicable withholding agent), then (i) in the case of Indemnified Taxes or Other Taxes, the sum payable by the relevant Credit Party shall be increased as necessary so that after all such Tax Withholdings have been made (including deductions or withholdings applicable to additional sums payable under this Section 2.15), each Recipient receives an amount equal to the sum it would have received had no such Tax Withholdings been made (including such Tax Withholdings applicable to additional sums payable under this Section 2.15) (such additional sums being the “**Additional Amount**”), (ii) the applicable withholding agent shall make such Tax Withholdings, and (iii) the applicable withholding agent shall timely pay the full amount of the Tax Withholdings to the relevant Governmental Authority.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of clause (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Requirements of Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification by the Borrower. The Credit Parties shall indemnify and hold harmless (on a joint and several basis) each Recipient, within twenty (20) days after demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.15) paid by such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Recipient (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Recipient, shall be conclusive absent manifest error.

(d) Evidence of Payments. As soon as practicable after any payment of Indemnified Taxes or Other Taxes by any Credit Party pursuant to this Section 2.15 to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the Tax Return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.



(e) Status of Lenders.

(i) Each Recipient shall deliver to the Borrower and to the Administrative Agent, whenever reasonably requested by the Borrower or the Administrative Agent, such properly completed and duly executed documentation prescribed by applicable Requirements of Law and such other reasonably requested information as will permit the Borrower or the Administrative Agent, as the case may be, (x) to determine whether or not any payments made under any Loan Document are subject to Tax Withholdings or information reporting requirements, (y) to determine, if applicable, the required rate of Tax Withholdings, and (z) to establish such Recipient's entitlement to any available exemption from, or reduction in the rate of, Tax Withholdings, in respect of any payments to be made to such Recipient by any Credit Party pursuant to any Loan Document or otherwise establish such Recipient's status for withholding Tax purposes in an applicable jurisdiction. Notwithstanding anything to the contrary in the preceding sentence, the completion, execution and submission of such documentation and information (other than such documentation set forth in Section 2.15(e)(ii)(A)(1)-(4), Section 2.15(e)(ii)(B) and Section 2.15(e)(ii)(C) below) shall not be required if in the Recipient's reasonable judgment such completion, execution or submission would subject such Recipient to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Recipient.

(ii) Without limiting the generality of the foregoing:

(A) each Foreign Lender, shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Recipient under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent) whichever of the following is applicable:

(1) properly completed and duly executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E (or any successor form), as applicable, claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(2) properly completed and duly executed copies of Internal Revenue Service Form W-8ECI (or any successor form), as applicable,

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit H and (y) properly completed and duly executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E (or any successor form),

(4) to the extent a Foreign Lender is not the beneficial owner (for example, where the Foreign Lender is a partnership or a participating Lender granting a participation), properly completed and duly executed copies of Internal Revenue Service Form W-8IMY, accompanied

by a Form W-8ECI, W-8BEN, W-8BEN-E, a certificate substantially in the form of Exhibit H, Form W-9, and/or other certification documents from each beneficial owner, as applicable (*provided* that if the Foreign Lender is a partnership for U.S. federal income tax purposes (and not a participating Lender) and one or more direct or indirect partners are claiming the portfolio interest exemption, the certificate substantially in the form of Exhibit H may be provided by such Foreign Lender on behalf of such direct or indirect partners), or

(5) any other form prescribed by applicable Requirements of Law as a basis for claiming exemption from or a reduction in United States federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable Requirements of Law to permit the Borrower and the Administrative Agent to determine any withholding or deduction required to be made;

(B) each Recipient that is not a Foreign Lender shall deliver to the Borrower and the Administrative Agent two properly completed and duly executed copies of Internal Revenue Service Form W-9 (or any successor or other applicable form) certifying that such Recipient is exempt from United States federal backup withholding;

(C) if a payment made to a Recipient under any Loan Document would be subject to United States federal withholding tax imposed by FATCA if such Recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Recipient shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by applicable Requirements of Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Requirements of Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA, to determine whether such Recipient has complied with such Recipient's obligations under FATCA or to determine the amount (if any) to deduct and withhold from such payment. Solely for purposes of this clause (C), "FATCA" shall include any amendments made to FATCA after the date of this Agreement;

(D) notwithstanding any other provision of this Section 2.15(e), a Recipient shall not be required to deliver any documentation or information that such Recipient is not legally eligible to deliver; and

(E) each such Recipient shall, from time to time after the initial delivery by such Recipient of any form or certificate, whenever a lapse in time or change in such Recipient's circumstances renders such form or certificate (including any specific form or certificate required in this Section 2.15(e)) so delivered obsolete, expired or inaccurate in any material respect, promptly (i) update such form or certificate or (ii) notify the Borrower and the Administrative Agent in writing of its legal ineligibility to do so.

(f) Treatment of Certain Refunds. If a Lender, Issuing Bank or an Agent determines, in its sole discretion exercised in good faith, that it has received a refund of any Indemnified Taxes as to which it has been indemnified by the Credit Parties or on account of which the Credit Parties have paid Additional Amounts pursuant to this Section 2.15, it shall pay to the Credit Parties an amount equal to such refund (but only to the extent of indemnity payments made, or Additional Amounts paid, by the Credit Parties under this Section with respect to the Indemnified Taxes giving rise to such refund), net of any Taxes thereon and of all out-of-pocket expenses of such Agent, Issuing Bank or Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that the Credit Parties, upon the request of such Agent, Issuing Bank or Lender, agree to repay any such amount paid over to the Credit Parties to such Agent, Issuing Bank or Lender (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event such Agent, Issuing Bank or Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this clause (f), in no event will such Agent, Issuing Bank or Lender be required to pay any amount to the Credit Parties pursuant to this clause (f), the payment of which would place such Agent, Issuing Bank or Lender, as applicable, in a less favorable net after-Tax position than it would have been in if the Tax subject to indemnification (or the payment of Additional Amounts) and giving rise to such refund had not been deducted, withheld or imposed and the indemnification payments (or Additional Amounts) with respect to such Tax had never been paid. Nothing herein contained shall interfere with the right of a Recipient to arrange its tax affairs in whatever manner it thinks fit nor obligate any Recipient to claim any tax refund or to make available its Tax Returns or disclose any information relating to its tax affairs or any computations in respect thereof or require any Recipient to do anything that would prejudice its ability to benefit from any other refunds, credits, reliefs, remissions or repayments to which it may be entitled. Unless required by Requirements of Law, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender, as the case may be.

(g) Survival. The obligations of the Credit Parties under this Section 2.15 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document. For purposes of this Section 2.15, any payments by the Administrative Agent to a Lender of any amounts received by the Administrative Agent from any Credit Party on behalf of such Lender shall be treated as a payment from such Credit Party to such Lender.

(h) For the avoidance of doubt, for the purposes of this Section 2.15, the term “Lender” shall include the Issuing Bank.

Section 2.16 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 2.12, or requires the Borrower to pay any Additional Amount to any Lender or any Governmental Authority (other than with respect to Other Taxes) for the account of any Lender pursuant to Section 2.15, then such Lender shall (at the request of the Borrower) use commercially reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates or to file any certificate or document reasonably required by the Borrower, if, in the reasonable judgment of such Lender, such designation or assignment or filing (i) would eliminate or reduce amounts payable pursuant to Section 2.12 or 2.15, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment. A certificate setting forth in reasonable detail the calculation of such costs and expenses submitted by such Lender to the Borrower shall be deemed presumptively correct absent manifest error.

(b) Replacement of Lenders. If (v) any Lender or the Administrative Agent requests compensation under Section 2.12, (w) [reserved], or (x) the Borrower is required to pay any Additional Amount to any Lender or the Administrative Agent or any Governmental Authority (other than with respect to Other Taxes) for the account of any Lender or the Administrative Agent pursuant to Section 2.15, and such Lender or the Administrative Agent declined or is unable to designate a different lending office in accordance with Section 2.16(a), or (y) any Lender or the Administrative Agent is a Defaulting Lender, then the Borrower may, at its sole expense and effort and option, upon notice to any applicable Lender and the Administrative Agent, (A) require any such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.04), all of its interests, rights (other than its existing rights to payments pursuant to Section 2.12 or Section 2.15 arising with respect to any period prior to such assignment) and obligations under this Agreement and the other Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), (B) pay off in full all of the Loans and any other Obligations owed to any such Lender, (C) if applicable, terminate any such Lender's Commitments or (D) if applicable, upon at least ten (10) days prior notice, require the Administrative Agent to resign in accordance with Section 9.06; *provided that*:

(i) unless waived by the Administrative Agent, the Borrower shall have paid to the Administrative Agent the processing and recordation fee specified in Section 10.04(b), if any,

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) and participations in LC Disbursements, accrued interest thereon, accrued fees and all other amounts (including any amount pursuant to Section 2.10(j)) payable to it hereunder and under the other Loan Documents (including any amounts under Sections 2.13 and 2.15, assuming for this purpose (in the case of a Lender being replaced pursuant to Sections 2.12 or 2.15 that the Loans of such Lender were being prepaid) from the assignee (to the extent of such outstanding principal and accrued interest and fees (including accrued and unpaid PIK Interest)) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 2.12 or payments required to be made pursuant to Section 2.15, such assignment will result in a reduction in such compensation or payments thereafter; and

(iv) such assignment does not conflict with applicable Requirements of Law.

Each Lender agrees that, if the Borrower elects to replace such Lender in accordance with this Section 2.16(b), it shall promptly execute and deliver to the Administrative Agent an Assignment and Assumption to evidence the assignment and shall deliver to the Administrative Agent any Note (if Notes have been issued in respect of such Lender's Loans) subject to such Assignment and Assumption; *provided* that the failure of any such Lender to execute an Assignment and Assumption shall not render such assignment invalid and such assignment shall be in full force and effect and shall be recorded in the Register.

Section 2.17 [Reserved].

Section 2.18 Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, the Borrower may request the Issuing Bank to, and the Issuing Bank agrees to, issue Letters of Credit denominated in Dollars for the account of the Borrower or any Wholly Owned Restricted Subsidiary of the Borrower (*provided* that the Borrower shall be a co-applicant, and be jointly and severally liable, with respect to each Letter of Credit issued for the account of the Borrower or any Wholly Owned Restricted Subsidiary of the Borrower) upon delivery to the relevant Issuing Bank and the Administrative Agent (at least ten (10) Business Days in advance of the requested date of issuance, amendment, renewal or extension) an LC Request requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the requested date of issuance of such Letter of Credit (which shall be a Business Day) and, as applicable, specifying the date of amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire, the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. The Issuing Bank shall have no obligation to issue, and the Borrower shall not request the issuance of, any Letter of Credit at any time if after giving effect to such issuance the LC Exposure would exceed the LC Sublimit or the total Revolving Exposure would exceed the Total Revolving Commitment. If requested by the Issuing Bank, Borrower also shall submit a letter of credit application on the Issuing Bank's standard form in connection with any request for a Letter of Credit; *provided* that in the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(b) Request for Issuance, Amendment, Renewal, Extension; Certain Conditions and Notices. To request the issuance of a Letter of Credit or the amendment, renewal or extension of an outstanding Letter of Credit, the Borrower shall deliver by hand, facsimile or other electronic communication, if arrangements for doing so have been approved by the Issuing Bank in writing (including via e-mail), an LC Request to the Issuing Bank and the Administrative Agent not later than 11:00 a.m. New York City time ten (10) Business Days preceding the requested date of issuance, amendment, renewal or extension (or such later date and time as is acceptable to the Issuing Bank).

A request for an initial issuance of a Letter of Credit shall specify, in form and detail reasonably satisfactory to the Issuing Bank:

- (i) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day);
- (ii) the stated or “face” amount thereof;
- (iii) the expiry date thereof (which shall be determined in accordance with Section 2.18(c) below);
- (iv) the name and address of the beneficiary thereof;
- (v) whether the Letter of Credit is to be issued for the Borrower’s own account, or for the account of one of the Borrower’s Wholly Owned Restricted Subsidiaries (*provided* that the Borrower shall be the applicant with respect to each Letter of Credit issued for the account of any of the Borrower’s Wholly Owned Restricted Subsidiaries);
- (vi) the documents to be presented by such beneficiary in connection with any drawing thereunder;
- (vii) the full text of any certificate to be presented by such beneficiary in connection with any drawing thereunder; and
- (viii) such other matters as the Issuing Bank may reasonably require.

A request for an amendment, renewal or extension of any outstanding Letter of Credit shall specify in form and detail reasonably satisfactory to the Issuing Bank:

- (i) the Letter of Credit to be amended, renewed or extended;
- (ii) the proposed date of amendment, renewal or extension thereof (which shall be a Business Day);
- (iii) the nature of the proposed amendment, renewal or extension; and
- (iv) such other matters as the Issuing Bank reasonably may require.

If requested by the Issuing Bank, the Borrower also shall submit a letter of credit application on the Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and, upon issuance, amendment, renewal or extension of each Letter of Credit, the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, (i) the LC Exposure shall not exceed the LC Sublimit, (ii) the total Revolving Exposures shall not exceed the Total Revolving Commitment and (iii) the conditions set forth in Article IV in respect of such issuance, amendment, renewal or extension shall have been satisfied; *provided*, however, that an Issuing Bank may permit the renewal of an Auto-Renewal Letter of Credit in accordance with Section 2.18(c) (ii) below. Unless the Issuing Bank shall agree otherwise, no Letter of Credit shall be in an initial amount less than \$100,000 (or such lesser amount as approved by the Issuing Bank).

Upon the issuance of any Letter of Credit or amendment, renewal, extension or modification of a Letter of Credit, the Issuing Bank shall promptly notify the Administrative Agent in writing (and in the case of an issuance of a new Letter of Credit, or an increase or decrease in the stated amount of an existing Letter of Credit, the Administrative Agent shall promptly notify each Revolving Lender, thereof), which notice shall be accompanied by a copy of such Letter of Credit or amendment, renewal, extension or modification to a Letter of Credit (and in the case of an issuance of a new Letter of Credit, or an increase or decrease in the stated amount of an existing Letter of Credit, the notice to each Revolving Lender shall include a copy of such Letter of Credit also and the amount of each such Revolving Lender's respective participation in such Letter of Credit pursuant to Section 2.18(d)).

(c) Expiration Date.

(i) Each Letter of Credit shall expire at the close of business on the Business Day that is the earlier of (x) the date which is not more than one (1) year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one (1) year after such renewal or extension) and (y) the Letter of Credit Expiration Date; *provided, however*, the Issuing Bank, in its sole discretion, may agree to extend such Letter of Credit beyond the Letter of Credit Expiration Date (the "**LC Extension**") upon the Borrower either (i) providing the Issuing Bank funds equal to 103% of the LC Exposure with respect to such Letter of Credit for deposit in a cash collateral account which cash collateral account will be held by the Issuing Bank as a pledged cash collateral account and applied to reimbursement of all drafts submitted under such outstanding Letter of Credit or (ii) delivering to the Issuing Bank one or more letters of credit for the benefit of the Issuing Bank to backstop such outstanding Letter of Credit, issued by a bank reasonably acceptable to the Issuing Bank in its sole discretion, each in form and substance reasonably acceptable to the Issuing Bank in its sole discretion) unless the applicable Issuing Bank notifies the beneficiary thereof at least thirty (30) days (or such longer period as may be specified in such Letter of Credit) prior to the then applicable expiration date that such Letter of Credit will not be renewed.

(ii) If the Borrower so requests in any LC Request for a Letter of Credit, the Issuing Bank may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic renewal provisions (each, an “**Auto-Renewal Letter of Credit**”); *provided* that any such Auto-Renewal Letter of Credit must permit the Issuing Bank to prevent any such renewal at least once in each twelve (12) month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day in each such twelve (12) month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Issuing Bank, the Borrower shall not be required to make a specific request to the Issuing Bank for any such renewal. Once an Auto-Renewal Letter of Credit has been issued, the Revolving Lenders shall be deemed to have authorized (but may not require) the Issuing Bank to permit the renewal of such Letter of Credit at any time to an expiry date not later than the earlier of (i) one (1) year from the date of such renewal and (ii) the Letter of Credit Expiration Date, unless otherwise extended pursuant to an LC Extension; *provided* that the Issuing Bank shall not permit any such renewal if (x) the Issuing Bank has determined that it would have no obligation at such time to issue such Letter of Credit in its renewed form under the terms hereof (by reason of the provisions of Section 2.18(m) or otherwise), or (y) it has received notice on or before the day that is five (5) Business Days before the date which has been agreed upon pursuant to the proviso of the first sentence of this paragraph, from the Administrative Agent, any Lender or the Borrower that one or more of the applicable conditions specified in Section 4.02 are not then satisfied.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Bank or the Lenders, the Issuing Bank hereby irrevocably grants to each Revolving Lender, and each Revolving Lender hereby acquires from the Issuing Bank, a participation in such Letter of Credit equal to such Revolving Lender’s Pro Rata Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Revolving Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank, such Revolving Lender’s Pro Rata Percentage of each LC Disbursement made by the Issuing Bank and not reimbursed by the Borrower on the date due as provided in Section 2.18(e) (the “**Unreimbursed Amount**”), or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, or expiration, termination or cash collateralization of any Letter of Credit and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement.

(i) If the Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Issuing Bank an amount equal to such LC Disbursement and in Dollars not later than 3:00 p.m., New York City time, on the Business Day immediately following the day that the Borrower receives such notice of such LC Disbursement; *provided* that the Borrower may, subject to the conditions to Borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with ABR Revolving Loans in an equivalent amount and, to the extent so financed, the Borrower’s obligation to make such payment shall be discharged and replaced by the resulting ABR Revolving Loans.



(ii) If the Borrower fails to make such payment when due, the Issuing Bank shall notify the Administrative Agent in writing, and the Administrative Agent shall notify each Revolving Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Revolving Lender's Pro Rata Percentage thereof. Each Revolving Lender shall pay by wire transfer of immediately available funds to the Administrative Agent not later than 12:00 p.m., New York City time, one (1) Business Day after such date, an amount equal to such Revolving Lender's Pro Rata Percentage of the unreimbursed LC Disbursement in the same manner as provided in Section 2.02(c) with respect to Revolving Loans made by such Revolving Lender, and the Administrative Agent will promptly pay to the Issuing Bank the amounts so received by it from the Revolving Lenders. Any amounts received by the Issuing Bank from the Borrower pursuant to the above paragraph prior to, concurrently with or after any Revolving Lender makes any payment pursuant to the preceding sentence will be promptly remitted by the Issuing Bank to the Administrative Agent and by the Administrative Agent to the Revolving Lenders that shall have made such payments.

(iii) If any Revolving Lender shall not have made its Pro Rata Percentage of such LC Disbursement to the Administrative Agent available as provided above, each of such Revolving Lender and the Borrower severally agrees to pay interest on such amount, for each day from and including the date such amount is required to be paid in accordance with the foregoing to but excluding the date such amount is paid, to the Administrative Agent for the account of the Issuing Bank at (i) in the case of the Borrower, the rate per annum set forth in clause (h) below and (ii) in the case of such Lender, at a rate determined by the Administrative Agent in accordance with banking industry rules or practices on interbank compensation.

(f) Obligations Absolute. The Reimbursement Obligation of the Borrower and the Revolving Lenders as provided in Section 2.18(e) shall be absolute, unconditional and irrevocable, and shall be paid and performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein or herein; (ii) any draft or other document presented under a Letter of Credit being proved to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (iii) payment by the Issuing Bank under a Letter of Credit against presentation of a draft or other document that fails to comply with the terms of such Letter of Credit; (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.18(f), constitute a legal or equitable discharge of, or provide a right of setoff against, the obligations of the Borrower hereunder; (v) the fact that a Default shall have occurred and be continuing; or (vi) any material adverse change in the business, property, results of operations, prospects or condition, financial or otherwise, of Holdings and its Restricted Subsidiaries. None of the Agents, the Lenders, the Issuing Bank or any of their Affiliates shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any

error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Bank; *provided* that the foregoing shall not be construed to excuse the Issuing Bank from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable Requirements of Law) suffered by the Borrower that are caused by the Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of bad faith, gross negligence or willful misconduct on the part of the Issuing Bank (as finally determined by a court of competent jurisdiction (which is not subject to appeal)), the Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Bank may, in its reasonable discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Issuing Bank shall promptly give written notice to the Administrative Agent and the Borrower of such compliant demand for payment and whether the Issuing Bank has made or will make an LC Disbursement thereunder; *provided* that any failure to give or delay in giving such notice shall not relieve the Borrower of its Reimbursement Obligation to the Issuing Bank and the Revolving Lenders with respect to any such LC Disbursement (other than with respect to the timing of such Reimbursement Obligation set forth in Section 2.18(e)).

(h) Interim Interest. If the Issuing Bank shall make any LC Disbursement, then, unless the Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest payable on demand, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the Alternate Base Rate plus the Applicable Margin until the date that is three (3) Business Days from the date on which the Borrower receives notice of such LC Disbursement, and at the rate per annum determined pursuant to Section 2.06(c) thereafter. Interest accrued pursuant to this paragraph shall be for the account of the Issuing Bank, except that interest accrued on and after the date of payment by any Revolving Lender pursuant to Section 2.18(e) to reimburse the Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Cash Collateralization. If (1) any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Revolving Lenders with LC Exposure representing greater than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, (2) as of the Letter of Credit Expiration Date, any LC Obligation for any reason remains outstanding (other than any LC Obligation that is backstopped

to the reasonable satisfaction of the applicable Issuing Bank) or (3) there shall exist a Defaulting Lender, the Borrower shall immediately (and in the case of clause (3), after the automatic reallocation of LC Exposure pursuant to Section 2.19(b), upon the reasonable request of the Administrative Agent and solely to the extent of the LC Exposure of such Defaulting Lender not covered by such automatic reallocation) deposit on terms and in accounts satisfactory to the Collateral Agent, in the name of the Collateral Agent and for the benefit of the Revolving Lenders, an amount in cash equal to 103% of the LC Exposure as of such date plus any accrued and unpaid interest thereon; *provided* that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence and during the continuance of any Event of Default with respect to the Borrower described in Section 8.01(g) or (h). Funds so deposited shall be applied by the Collateral Agent to reimburse the Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of outstanding Reimbursement Obligations or, if the maturity of the Loans has been accelerated (but subject to the consent of Revolving Lenders with LC Exposure representing greater than 50% of the total LC Exposure), be applied to satisfy other Obligations of the Borrower under this Agreement. If the Borrower is required to provide an amount of cash collateral hereunder as a result of the existence of an Event of Default, such amount plus any accrued interest or realized profits with respect to such amounts (to the extent not applied as aforesaid) shall be returned to the Borrower within three (3) Business Days after all Events of Default have been cured or waived.

(j) Additional Issuing Banks. The Borrower may, at any time and from time to time, designate one or more additional Revolving Lenders to act as an issuing bank with respect to Letters of Credit under the terms of this Agreement, with the consent of the Administrative Agent and such designated Revolving Lender(s) in their sole discretion. Any Revolving Lender designated as an issuing bank with respect to Letters of Credit pursuant to this clause (j) shall have all the rights and obligations of the Issuing Bank under the Loan Documents with respect to Letters of Credit issued or to be issued by it, and all references in the Loan Documents to the term “**Issuing Bank**” shall, with respect to such Letters of Credit, be deemed to refer to such Revolving Lender in its capacity as the Issuing Bank, as the context shall require. If at any time there is more than one Issuing Bank hereunder, the Borrower may, in its discretion, select which Issuing Bank is to issue any particular Letter of Credit.

(k) Resignation or Removal of the Issuing Bank. The Issuing Bank may resign as Issuing Bank hereunder at any time upon at least thirty (30) days’ prior written notice to the Lenders, the Administrative Agent and the Borrower. The Issuing Bank may be replaced at any time by the Borrower with the consent of the Administrative Agent and the Revolving Lender(s) to the successor Issuing Bank. The Borrower shall notify the Administrative Agent and then the Administrative Agent shall notify the Lenders of any such replacement of the Issuing Bank or any such additional Issuing Bank. At the time any such resignation or replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.05(c). From and after the effective date of any such resignation or replacement, as applicable, (i) the successor Issuing Bank shall have all the rights and obligations of the Issuing Bank under this Agreement with respect to Letters of Credit to be issued by it thereafter and (ii) references herein and in the other Loan Documents to the term “**Issuing Bank**” shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the resignation or replacement

of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such resignation or replacement, but shall not be required to issue additional Letters of Credit and, if applicable, shall remain a Lender hereunder and shall continue to have all of the rights and obligations of a Lender under this Agreement.

(l) Issuing Bank. The Issuing Bank shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the Issuing Bank shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by the Issuing Bank in connection with Letters of Credit issued by it or proposed to be issued by it and documents pertaining to such Letters of Credit as fully as if the term “Administrative Agent” as used in Article IX included the Issuing Bank with respect to such acts or omissions, and (B) as additionally provided herein with respect to the Issuing Bank. The Issuing Bank may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

(m) Other. The Issuing Bank shall be under no obligation to issue any Letter of Credit if:

(i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the Issuing Bank from issuing such Letter of Credit, or any Requirements of Law applicable to the Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the Issuing Bank shall prohibit, or request that the Issuing Bank refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the Issuing Bank with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the Issuing Bank is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the Issuing Bank any unreimbursed loss, cost or expense which was not applicable on the Closing Date for which the Issuing Bank is not otherwise compensated hereunder and which the Issuing Bank in good faith deems material to it; or

(ii) the issuance of such Letter of Credit would violate one or more policies of general application of the Issuing Bank.

The Issuing Bank shall be under no obligation to amend any Letter of Credit if (A) the Issuing Bank would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit. Unless otherwise expressly agreed by the Issuing Bank and the Borrower when a Letter of Credit is issued, the rules of the ISP shall apply to each Letter of Credit. Notwithstanding the foregoing, the Issuing Bank shall not be responsible to the Borrower for, and the Issuing Bank’s rights and remedies against the Borrower shall not be impaired by, any action or inaction of the Issuing Bank required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where the Issuing Bank or the beneficiary is located, the practice stated in the ISP or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade—International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(n) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Wholly Owned Restricted Subsidiary of the Borrower, the Borrower shall be obligated to reimburse the Issuing Bank hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Wholly Owned Subsidiaries of the Borrower inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Wholly Owned Subsidiaries of the Borrower.

Section 2.19 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) the Commitment Fee shall cease to accrue on the Commitment of such Lender so long as it is a Defaulting Lender (except to the extent it is payable to the Issuing Bank pursuant to clause (b)(v) below) and such Defaulting Lender shall not be entitled to receive any Commitment Fee pursuant to Section 2.05(a);

(b) if any LC Exposure exists at the time a Lender becomes a Defaulting Lender then:

(i) all or any part of such Defaulting Lender's participation in LC Exposure shall be reallocated among the non-Defaulting Lenders in accordance with their respective Pro Rata Percentages, but only to the extent that (y) such reallocation does not cause the aggregate Revolving Exposure of any non-Defaulting Lender to exceed such non-Defaulting Lender's Revolving Commitment and (z) to the extent requested in writing by the Administrative Agent, the Borrower shall confirm that the conditions set forth in Section 4.02 are satisfied at the time of such reallocation and if the Borrower cannot confirm such conditions have been satisfied (which shall not constitute a Default or an Event of Default) and such conditions have not otherwise been waived by the Required Revolving Lenders, then clause (ii) below shall apply;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within one Business Day following notice by the Administrative Agent, cash collateralize such Defaulting Lender's LC Exposure (in each case after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.18(i) for so long as such LC Exposure is outstanding;

(iii) if any portion of such Defaulting Lender's LC Exposure is cash collateralized pursuant to clause (ii) above, the Borrower shall not be required to pay the LC Participation Fee with respect to such portion of such Defaulting Lender's LC Exposure so long as it is cash collateralized;

(iv) if any portion of such Defaulting Lender's LC Exposure is reallocated to the non-Defaulting Lenders pursuant to clause (i) above, then the LC Participation Fee with respect to such portion shall be allocated among the non-Defaulting Lenders in accordance with their Pro Rata Percentages;

(v) if any portion of such Defaulting Lender's LC Exposure is neither cash collateralized nor reallocated pursuant to this Section 2.19(b), then, without prejudice to any rights or remedies of the Issuing Bank or any Lender hereunder, the Commitment Fee that otherwise would have been payable to such Defaulting Lender (with respect to the portion of such Defaulting Lender's Revolving Commitment that was utilized by such LC Exposure) and the LC Participation Fee payable with respect to such Defaulting Lender's LC Exposure shall be payable to the Issuing Bank until such LC Exposure is cash collateralized and/or reallocated;

(vi) so long as any Lender is a Defaulting Lender, the Issuing Bank shall not be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure will be 100% covered by the Revolving Commitments of the non-Defaulting Lenders and/or cash collateralized in accordance with this Section 2.19(b), and participations in any such newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in accordance with their respective Pro Rata Percentages (and Defaulting Lenders shall not participate therein); and

(vii) any amount payable to such Defaulting Lender hereunder (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 2.14(d), but excluding Section 2.16(b)) may, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated non-interest bearing account and, subject to any applicable Requirements of Law, be applied at such time or times as may be determined by the Administrative Agent (i) *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder, (ii) *second*, to the payment of any amounts owing by such Defaulting Lender to the Issuing Bank hereunder, (iii) *third*, to the funding of any Loan or the funding or cash collateralization of any participation in any Letter of Credit in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent, (iv) *fourth*, if so determined by the Administrative Agent and the Borrower, held in such account as cash collateral for future funding obligations of the Defaulting Lender under this Agreement, (v) *fifth, pro rata*, to the payment of any amounts owing to the Borrower, the Issuing Bank or the Lenders as a result of any judgment of a court of competent jurisdiction obtained by the Borrower, the Issuing Bank or any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement and (vi) *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if such payment is (x) a prepayment of the principal amount of any Loans or Reimbursement Obligations in respect of LC Disbursements which a Defaulting Lender has funded in respect of its participation obligations and (y) made at a time when the conditions set forth in Section 4.02 are satisfied, such payment shall be applied solely to prepay the Loans of, and Reimbursement Obligations owed to, all non-Defaulting Lenders *pro rata* prior to being applied to the prepayment of any Loans, or Reimbursement Obligations owed to, any Defaulting Lender.

(c) such Defaulting Lender shall be deemed not to be a “Lender,” and the amount of such Defaulting Lender’s Revolving Commitment and Revolving Loans and/or Term Loan Commitments and Term Loans shall be excluded, for purposes of voting, and the calculation of voting, on any matters (including the granting of any consents or waivers) with respect to any of the Loan Documents, except as otherwise set forth in Section 10.02(b).

(d) to the extent permitted by applicable Requirements of Law, until such time as the Default Excess with respect to such Defaulting Lender shall have been reduced to zero, (A) any voluntary prepayment of the Loans pursuant to Section 2.10(a) shall, if the Borrower so directs at the time of making such voluntary prepayment, be applied to the Loans of other Lenders in accordance with Section 2.10(a) as if such Defaulting Lender had no Loans outstanding and the Revolving Exposure of such Defaulting Lender were zero, and (B) any portion of any mandatory prepayment of the Loans pursuant to Section 2.10 that would be applied to the Loans of any Defaulting Lender if such Defaulting Lender had funded all of its defaulted Revolving Loans shall, if the Borrower so directs at the time of making such mandatory prepayment, be (i) applied to the Loans of other Lenders (but not to the Loans of such Defaulting Lender) in accordance with Section 2.10 as if such Defaulting Lender had no Loans outstanding and the Revolving Exposure of such Defaulting Lender was zero or (ii) retained by the Administrative Agent in a segregated non-interest-bearing account.

(e) No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a non-Defaulting Lender as a result of such non-Defaulting Lender’s increased exposure following such reallocation.

In the event that the Administrative Agent or the Issuing Bank, as the case may be, and the Borrower each agrees in writing (*provided* that the Borrower’s agreement shall not be unreasonably withheld) that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender’s Commitment and on such date such Lender shall purchase at par such of the Revolving Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Revolving Loans in accordance with its Pro Rata Percentage. The rights and remedies against a Defaulting Lender under this Section 2.19 are in addition to other rights and remedies that the Borrower, the Administrative Agent, the Issuing Bank, and the non-Defaulting Lenders may have against such Defaulting Lender. The operation of this Section 2.19 shall not be construed to relieve or excuse the performance by such Defaulting Lender or any other Lender of its duties and obligations hereunder. Any failure by a Defaulting Lender to fund amounts that it was obligated to fund hereunder shall constitute a material breach by such Defaulting Lender of this Agreement and shall entitle the Borrower, at its option, to arrange for a substitute Lender to replace such Defaulting Lender pursuant to Section 2.16(b). The arrangements permitted or required by this Section 2.19 shall be permitted under this Agreement, notwithstanding any limitation on Liens or the *pro rata* sharing provisions hereof or otherwise.

Section 2.20 Increase in Commitments.

(a) Borrower Request. The Borrower may by written notice to the Administrative Agent elect to request the establishment of one or more new Term Loan Commitments under a new term facility or under the existing term facility or any increase under an existing tranche of Term Loans (each, an “**Incremental Term Loan Commitment**”) and/or one or more new Revolving Loan Commitments under a new revolving facility (an “**Additional Revolving Commitment**”) or under the then existing revolving facility (a “**Revolving Commitment Increase**”) and together with any Additional Revolving Commitment, each an “**Incremental Revolving Loan Commitment**” and together with any Incremental Term Loan Commitment, the “**Incremental Facilities**”), in an aggregate amount not to exceed the Maximum Incremental Facilities Amount (the date of establishment of any such Incremental Facility, an “**Increase Effective Date**”); provided, that the aggregate principal amount of all Additional Revolving Commitments or Incremental Revolving Loan Commitments shall not exceed \$9,000,000 in the aggregate. The opportunity to commit to provide all or a portion of the Incremental Facilities shall be offered by the Borrower first to the existing Lenders on a pro rata basis and, to the extent that such existing Lenders have not agreed to provide such Incremental Facilities within five (5) Business Days after receiving such offer from the Borrower, on the terms specified by the Borrower, the Administrative Agent or any arranger of such Incremental Facilities, after being provided a bona fide opportunity to do so, the Borrower may then offer such opportunity to any other Eligible Assignees (which may include existing Lenders). Any existing Lender approached to provide all or a portion of such Incremental Term Loan Commitments or Incremental Revolving Loan Commitments may elect or decline, in its sole discretion, to provide such Incremental Term Loan Commitment or Incremental Revolving Loan Commitment and, to the extent any such Incremental Term Loan Commitments or Incremental Revolving Loan Commitments are not provided by existing Lenders, each Lender providing such commitment shall otherwise constitute an Eligible Assignee hereunder; *provided* that (i) the Administrative Agent and, solely with respect to Incremental Revolving Loan Commitments, the Issuing Bank shall have consented to any such Eligible Assignee providing all or a portion of such Incremental Term Loan Commitment or Incremental Revolving Loan Commitment, as applicable, if and to the extent such consent would be required under Section 10.04 for an assignment of such type of Loans or Commitments, as applicable, to such Eligible Assignee and (ii) any Incremental Facilities to be provided by Sponsor Investors or Affiliated Debt Funds shall be subject to the terms of Section 10.04(b) as if such Incremental Facilities were being assigned to any such Sponsor Investor or Affiliated Debt Fund.

(b) Conditions. Such Incremental Term Loan Commitments and Incremental Revolving Loan Commitments shall become effective, as of such Increase Effective Date; *provided* that:

(i) no Event of Default shall have occurred and be continuing at the time of funding; provided, that, with respect to any Incremental Facilities incurred in connection with a Limited Condition Transaction, the foregoing condition shall not be required to be satisfied and instead (x) on or prior to June 30, 2021, no Event of Default under Section 8.01(a), (b), (d) (solely with respect to the failure to comply with Section 6.08), (g), (h) or (m) (solely with respect to the failure to comply with the financial reporting requirements set forth in Section 5.01(a) or (b)) shall have occurred and be continuing on the LCT Test Date and (y) after June 30, 2021, no Event of Default under Section 8.01(a), (b), (g) or (h) shall have occurred and be continuing; *provided* that any Limited Condition Transaction remains subject to the terms of Section 1.06 hereof;



(ii) the proceeds of the Incremental Term Loans and/or Incremental Revolving Loans shall be used in accordance with Section 3.11 and Section 5.08;

(iii) the Borrower shall deliver or cause to be delivered any customary amendments to the Loan Documents or other documents reasonably requested by the Administrative Agent or any Incremental Term Loan Lender or Incremental Revolving Loan Lender in connection with any such transaction;

(iv) any such Incremental Term Loans shall be in an aggregate amount of at least \$500,000 and integral multiples of \$100,000 above such amount (except, in each case, such minimum amount and integral multiples amount shall not apply when the Borrower uses all of the Incremental Term Loan Commitments available at such time);

(v) any Incremental Facilities shall be secured on a *pari passu* basis with the Term Loans, shall not be secured by a Lien on any assets of the Borrower or any Guarantor not constituting Collateral and shall not be guaranteed by any person other than the Guarantors;

(vi) subject to customary "SunGard" limitations (to the extent agreed to by the Lenders providing the applicable Incremental Facility and to the extent the proceeds of the applicable Incremental Facility are being used to finance a Limited Condition Transaction), each of the representations and warranties made by any Credit Party set forth in Article III hereof or in any other Loan Document shall be true and correct in all material respects (except that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects) on and as of the date of such credit extension (or, subject to Section 1.06, on the LCT Test Date) with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects) as of such earlier date; and

(vii) solely with respect to any Incremental Facility incurred in reliance on clause (ii) of the definition of Maximum Incremental Facilities Amount (and for the avoidance of doubt, not including any Incremental Facility incurred in reliance on the Fixed Incremental Amount), Holdings and its Restricted Subsidiaries shall be, on a Pro Forma Basis, in compliance with Section 6.08; *provided* that if the Borrower has made an LCT Election with respect to such Limited Condition Transaction, compliance with Section 6.08 shall be determined instead on a Pro Forma Basis on the LCT Test Date as if the Limited Condition Transaction had occurred on such date.

(c) Terms of New Term Loans and Commitments. The terms and provisions of Loans made pursuant to such Incremental Term Loan Commitments shall be subject to Section 2.20(f) and as follows:

(i) the terms and provisions of Loans made pursuant to Incremental Term Loan Commitments (“**Incremental Term Loans**”) shall be, except as otherwise set forth herein (including Section 2.20(f)), on terms and pursuant to documentation to be determined by the Borrower and the lenders providing such Incremental Term Loans; *provided* that, to the extent such terms and documentation are not substantially consistent (taken as a whole) with the existing Term Loans (but excluding any terms applicable only after the applicable Term Loan Maturity Date), they shall be reasonably satisfactory to the Administrative Agent (except for covenants or other provisions applicable only to periods after the applicable Term Loan Maturity Date) (it being understood that no consent shall be required from the Administrative Agent for any terms or conditions that are more restrictive than the terms and provisions of the Term Loans existing on the Increase Effective Date if the Lenders under the Term Loans existing on the Increase Effective Date receive the benefit of such terms or conditions through their addition to the Loan Documents);

(ii) the maturity date of any Incremental Term Loans shall be no earlier than the Latest Maturity Date applicable to the Term Loans and the Weighted Average Life to Maturity of such Incremental Term Loans shall be no shorter than the then remaining Weighted Average Life to Maturity of the Term Loans; *provided* that the limitations in this clause (ii) shall not apply to any customary bridge facility so long as the long-term debt into which such customary bridge facility is to be converted satisfies the provisions of this clause; and

(iii) any Incremental Term Loans may participate on a *pro rata* basis, greater than *pro rata* basis or less than *pro rata* basis in any voluntary prepayment of Term Loans hereunder and may participate on a *pro rata* basis or less than *pro rata* basis (but not on a greater than *pro rata* basis) in any mandatory prepayments of Term Loans hereunder.

(d) Terms of Incremental Revolving Loan Commitments. (i) With respect to any Incremental Revolving Loan Commitment, (A) the maturity date of such Incremental Revolving Loan Commitment shall be the same as the Revolving Maturity Date applicable to the Revolving Commitments subject to such increase, such Incremental Revolving Loan Commitment shall require no scheduled amortization or mandatory commitment reduction prior to the final Revolving Maturity Date applicable to the Revolving Commitments subject to such increase, and the Incremental Revolving Loan Commitment shall be on the exact same terms and pursuant to the exact same documentation applicable to the Revolving Commitments subject to such increase and (it being understood that, if required to consummate an Incremental Revolving Loan Commitment, the pricing, interest rate margins, rate floors and undrawn fees on the Revolving Commitment being increased may be increased for all Revolving Lenders under the Revolving Commitment being increased, and additional upfront or similar fees may be payable to the Revolving Lenders participating in the Incremental Revolving Loan Commitment without any requirement to pay such amounts to any Revolving Lenders that do not participate in the

Incremental Revolving Loan Commitment), and (B) each of the applicable Revolving Lenders shall be deemed to have assigned to each Lender with Incremental Revolving Loan Commitments, and each such Lender shall be deemed to have purchased from each of the applicable Revolving Lenders, at the principal amount thereof (together with accrued interest), such interests in the applicable Revolving Loans outstanding on the effective date of such increase as shall be necessary in order that, immediately after giving effect to all such assignments and purchases, such Revolving Loans will be held by existing applicable Revolving Lenders and Incremental Revolving Loan Lenders ratably in accordance with their Revolving Commitments after giving effect to the addition of such Incremental Revolving Loan Commitments to the Revolving Commitments and (ii) in the case of an Additional Revolving Commitment, the maturity date of such Additional Revolving Commitment shall be no earlier than the Revolving Maturity Date and such Additional Revolving Commitment shall require no scheduled amortization or mandatory commitment reduction prior to the final Revolving Maturity Date; *provided, further*, the Administrative Agent's and the Issuing Bank's, consent shall be required to each Person providing any portion of an Incremental Revolving Loan Commitment to the same extent, and in the same manner, as if such Person had taken assignment of Revolving Commitments pursuant to Section 10.04. Each Incremental Revolving Loan Commitment shall be deemed for all purposes a Revolving Commitment and each Loan made thereunder (an "**Incremental Revolving Loan**") shall be deemed, for all purposes, a Revolving Loan. Additionally, if any Revolving Loans are outstanding at the time any Incremental Revolving Loan Commitments are established, the Revolving Lenders immediately after effectiveness of such Incremental Revolving Loan Commitments shall purchase and assign at par such amounts of the Revolving Loans outstanding at such time as the Administrative Agent may require such that each Revolving Lender holds its Pro Rata Percentage of all Revolving Loans outstanding immediately after giving effect to all such assignments. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(e) Joinder. Such Incremental Term Loan Commitments and Incremental Revolving Loan Commitments shall be effected by a joinder agreement (the "**Increase Joinder**") executed by the Borrower, the Administrative Agent and each Lender making such Incremental Term Loan Commitment or Incremental Revolving Loan Commitment, in form and substance reasonably satisfactory to each of them. The Increase Joinder may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents (i) as may be necessary or appropriate (which may be in the form of an amendment and restatement of this Agreement) (including with respect to *pro rata* payments, repayments, borrowings and commitment reductions of Revolving Commitments (and Revolving Loans thereunder) and Incremental Revolving Loan Commitments (and loans thereunder)), in the opinion of the Administrative Agent and the Borrower, to effect the provisions of this Section 2.20 and (ii) so long as such amendments are not adverse to the Lenders, such other changes as may be necessary, as reasonably determined by the Borrower and the Administrative Agent, to maintain the fungibility of any Incremental Term Loans with any Tranche of then-outstanding Term Loans. This Section 2.20(e) shall supersede any provisions in Section 10.02 to the contrary.

(f) **Yield.** If the initial Yield (as defined below) on any Incremental Term Loans that are secured on a *pari passu* basis with the Secured Obligations exceeds the then applicable Yield on the Term Loans existing on the Increase Effective Date by more than 50 basis points (the amount of such excess above 50 basis points being referred to herein as the “**Yield Differential**”), then the Applicable Margin then in effect for each applicable existing tranche of Term Loans shall automatically be increased by the Yield Differential. “**Yield**” shall mean, with respect to any credit facility, the then “effective yield” on such Term Loans consistent with generally accepted financial practice, it being understood that (x) customary arrangement, commitment, structuring, underwriting, ticking, unused line and amendment fees paid or payable to one or more arrangers (or their Affiliates) (regardless of whether such fees are paid to or shared in whole or in part with any lender) in their respective capacities in connection with the applicable facility and any other fees that are not generally payable to all lenders (or their Affiliates) ratably with respect to any such facility and that are paid or payable in connection with such facility shall be excluded, (y) original issue discount and upfront fees paid or payable to the lenders thereunder shall be included (with original issue discount and upfront fees being equated to interest based on assumed four-year life to maturity (or, if less, the remaining life to maturity) without any present value discount) and (z) to the extent that the Adjusted LIBO Rate for a three month interest period on the closing date of any such Incremental Term Loan Commitment (A) is less than 1.0%, the amount of such difference shall be deemed added to the interest margin for the applicable existing Term Loans, solely for the purpose of determining whether an increase in the interest rate margins for the applicable existing Term Loans shall be required and (B) is less than the interest rate floor, if any, applicable to any such Incremental Term Loan Commitments, the amount of such difference shall be deemed added to the interest rate margins for the Loans under such Incremental Term Loan Commitment.

(g) **Equal and Ratable Benefit.** The Loans and Commitments established pursuant to this [Section 2.20](#) shall constitute Loans and Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents, and shall, without limiting the foregoing, benefit equally and ratably from the Guarantees and security interests created by the Security Documents. The Borrower and the other Credit Parties shall take any actions reasonably required by the Administrative Agent to ensure and/or demonstrate that the Lien and security interests granted by the Security Documents continue to be perfected under the UCC or otherwise after giving effect to the establishment of any such Class of Incremental Term Loans or Incremental Revolving Loans or any such Incremental Term Loan Commitments or Incremental Revolving Loan Commitments.

#### Section 2.21 Extension Amendments.

(a) The Borrower may at any time and from time to time request that all or a portion, including one or more Tranches of the Loans (including any Extended Loans), in each case existing at the time of such request (each, an “**Existing Tranche**” and the Loans of any such Tranche, the “**Existing Loans**”) be converted to extend the termination date thereof and the scheduled maturity date(s) of any payment of principal with respect to all or a portion of any such Existing Tranche (any such Existing Tranche which has been so extended, an “**Extended Tranche**” and the Loans of such Tranche, the “**Extended Loans**”) and to provide for other terms consistent with this [Section 2.21](#). In order to establish any Extended Tranche, the Borrower shall provide a written notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Existing Tranche) (an “**Extension Request**”) setting forth the proposed terms of the Extended Tranche to be established, which terms (other than as provided

in clause (C) below) shall be (taken as a whole) substantially similar to, or (taken as a whole) no more favorable (as reasonably determined by the Borrower) to the Lenders providing the Loans that are being extended or replaced (in each case, other than terms applicable only to periods after the Latest Maturity Date of the Existing Loans) to those applicable to the Existing Tranche from which they are to be extended (the “**Specified Existing Tranche**”), except (w) all or any of the final maturity dates of such Extended Tranches may be delayed to later dates than the final maturity dates of the Specified Existing Tranche; *provided* that at no time shall there be Revolving Commitments (including as a result of any Extended Tranche) which have more than three (3) different scheduled final maturity dates at any time, (x)(A) the interest margins with respect to the Extended Tranche may be higher or lower than the interest margins for the Specified Existing Tranche, (B) the prepayment terms may be different and/or (C) additional pricing and fees may be payable to the Lenders providing such Extended Tranche in addition to or in lieu of any increased margins contemplated by the preceding clause (A), (y) the commitment fee, if any, with respect to the Extended Tranche may be higher or lower than the commitment fee, if any, for the Specified Existing Tranche and (z) the provisions for optional and mandatory prepayments may provide for such payments to be directed first to the Specified Existing Tranche prior to being applied to the Extended Tranche, in each case to the extent provided in the applicable Extension Amendment; *provided* that, notwithstanding anything to the contrary in this Section 2.21 or otherwise, (1) such Extended Tranche shall not be, (y) in the case of any Extended Tranche relating to Term Loans, in an amount less than \$5,000,000 and (z) in the case of any Extended Tranche relating to Revolving Loans hereunder, in an amount less than \$1,000,000, (2) no Extended Tranche shall be secured by or receive the benefit of any collateral, credit support or security that does not secure or support the Existing Tranches, (3) the mandatory prepayment or the commitment reduction of any of Loans or Commitments under the Extended Tranches shall be made on a *pro rata* basis with all other outstanding Loans or Commitments respectively; *provided* that Extended Loans may, if the Extending Lenders making such Extended Loans so agree, participate on a less than *pro rata* basis in any mandatory prepayment or commitment reductions hereunder, (4) the final maturity of any Extended Tranche shall not be earlier than, and if such Extended Tranche is a term facility, shall not have a Weighted Average Life to Maturity shorter than, the applicable Specified Existing Tranche, (5) each Lender in the Specified Existing Tranche shall be permitted to participate in the Extended Tranche in accordance with its *pro rata* share of the Specified Existing Tranche and (6) assignments and participations of Extended Tranches shall be governed by the same assignment and participation provisions applicable to Loans and Commitments hereunder as set forth in Section 10.04. No Lender shall have any obligation to agree to have any of its Existing Loans or, if applicable, commitments of any Existing Tranche converted into an Extended Tranche pursuant to any Extension Request. Any Extended Tranche shall constitute a separate Tranche of Loans (and, if applicable, commitments) from the Specified Existing Tranches, from any other Existing Tranches, and from any other Extended Tranches so established on such date.

(b) The Borrower shall provide the applicable Extension Request at least fifteen (15) Business Days (or such shorter period as may be agreed by the Administrative Agent in its sole discretion) prior to the date on which Lenders under the applicable Existing Tranche or Existing Tranches are requested to respond, and shall agree to such procedures (including regarding timing, rounding and other adjustments and to ensure reasonable administrative management of the credit facilities hereunder after giving effect to such Extension Request), if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Section 2.21. Any Lender (an “**Extending Lender**”)

wishing to have all or a portion of its Specified Existing Tranche converted into an Extended Tranche shall notify the Administrative Agent (an “**Extension Election**”) on or prior to the date specified in such Extension Request of the amount of its Specified Existing Tranche that it elects to convert into an Extended Tranche. In the event that the aggregate amount of the Specified Existing Tranche subject to Extension Elections exceeds the amount of Extended Tranches requested pursuant to the Extension Request, the Specified Existing Tranches subject to Extension Elections shall be converted to Extended Tranches on a *pro rata* basis based on the amount of Specified Existing Tranches included in each such Extension Election.

(c) Extended Tranches shall be established pursuant to an amendment (an “**Extension Amendment**”) to this Agreement (which may include amendments to provisions related to maturity, interest margins, fees or prepayments and which, except to the extent expressly contemplated by the penultimate sentence of this Section 2.21(c) and notwithstanding anything to the contrary set forth in Section 10.02, shall not require the consent of any Lender other than the Extending Lenders with respect to the Extended Tranches established thereby) executed by the Credit Parties, the Administrative Agent, and the Extending Lenders. It is understood and agreed that each Lender has consented for all purposes requiring its consent, and shall at the effective time thereof be deemed to consent to each amendment to this Agreement and the other Loan Documents authorized by this Section 2.21 and the arrangements described above in connection therewith. This Section 2.21(c) shall supersede any provisions in Section 10.02 to the contrary.

(d) Notwithstanding anything to the contrary contained in this Agreement, (A) on any date on which any Existing Tranche is converted to extend the related scheduled maturity date(s) in accordance with clause (a) above (an “**Extension Date**”), in the case of the Specified Existing Tranche of each Extending Lender, the aggregate principal amount of such Specified Existing Tranche shall be deemed reduced by an amount equal to the aggregate principal amount of such Specified Existing Tranche so converted by such Lender into an Extended Tranche or Extended Tranches on such date, and such Extended Tranche or Extended Tranches shall be established as a separate Tranche or Tranches from the Specified Existing Tranche and from any other Existing Tranches and any other Extended Tranches so established on such date, and (B) if, on any Extension Date, any Revolving Loans of any Extending Lender are outstanding under the applicable Specified Existing Tranches, such loans (and any related participations) shall be deemed to be allocated as Extended Loans (and related participations) and Existing Loans (and related participations) in the same proportion as such Extending Lender’s applicable Specified Existing Tranches to the applicable Extended Tranches so converted by such Lender on such date.

(e) If, in connection with any proposed Extension Amendment, any Lender declines to consent to the applicable extension on the terms and by the deadline set forth in the applicable Extension Request (each such Lender, a “**Non-Extending Lender**”) then the Borrower may, on notice to the Administrative Agent and the Non-Extending Lender, (A) replace such Non-Extending Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 10.04 (with the assignment fee, if any, and any other costs and expenses to be paid by the Borrower in such instance) all of its rights and obligations under this Agreement to one or more assignees; *provided* that neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to obtain a replacement Lender; *provided, further*, that the applicable assignee shall have agreed to provide Loans and/or a commitment on the terms set forth in such Extension Amendment; and *provided, further*, that all obligations of the Borrower owing to the

Non-Extending Lender relating to the Loans and participations so assigned shall be paid in full at par to such Non-Extending Lender concurrently with such Assignment and Assumption by the assignee Lender (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) or (B) prepay the Loans and, at the Borrower's option, if applicable, terminate the Commitments of such Non-Extending Lender, in whole or in part, subject to breakage costs, without premium or penalty. In connection with any such replacement under this Section 2.21, if the Non-Extending Lender does not execute and deliver to the Administrative Agent a duly completed Assignment and Assumption and/or any other documentation necessary to reflect such replacement by the later of (a) the date on which the replacement Lender executes and delivers such Assignment and Assumption and/or such other documentation and (b) the date as of which all Obligations of the Borrower owing to the Non-Extending Lender relating to the Loans and participations so assigned shall be paid in full in cash to such Non-Extending Lender by the assignee Lender (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), then such Non-Extending Lender shall be deemed to have executed and delivered such Assignment and Assumption and/or such other documentation as of such date and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Assumption and/or such other documentation on behalf of such Non-Extending Lender. This Section 2.21(e) shall supersede any provisions in Section 10.02 to the contrary.

Section 2.22 Refinancing Facilities.

(a) At any time after the Closing Date, the Borrower may obtain, from any Lender or any Additional Lender, Credit Agreement Refinancing Indebtedness in respect of all or any portion of the Term Loans or Revolving Loans then outstanding under this Agreement (which will be deemed to include any then outstanding Incremental Term Loans under any Incremental Term Loan Commitments or any Incremental Revolving Loan Commitments then outstanding under this agreement) or any then outstanding Refinancing Term Loans in the form of Refinancing Term Loans or Refinancing Term Commitments or any then outstanding Refinancing Revolving Loans in the form of Refinancing Revolving Loans or Refinancing Revolving Loan Commitments, in each case, pursuant to a Refinancing Amendment, together with any applicable Intercreditor Agreement or other customary subordination agreement; *provided* that such Credit Agreement Refinancing Indebtedness (i) will, to the extent secured, rank *pari passu* or junior in right of payment and of security with the other Loans and Commitments hereunder (but for the avoidance of doubt, such Credit Agreement Refinancing Indebtedness may be unsecured), (ii) will, to the extent permitted by the definition of "Credit Agreement Refinancing Indebtedness," have such pricing, interest rate margins, rate floors, discounts, fees, premiums and prepayment or redemption provisions and terms as may be agreed by the Borrower and the Lenders thereof, (iii) will, to the extent in the form of Refinancing Revolving Loans or Refinancing Revolving Loan Commitments, participate in the payment, borrowing, participation and commitment reduction provisions herein on a *pro rata* basis with any all then outstanding Revolving Loans and Revolving Commitments, except that the Borrower shall be permitted to permanently repay and terminate commitments of any such Class on a better than a *pro rata* basis as compared to any other Class with a later maturity date than such Class and (iv) any Credit Agreement Refinancing Indebtedness to be provided by Sponsor Investors or Affiliated Debt Funds shall be subject to the terms of Section 10.04(b) as if such Credit Agreement Refinancing Indebtedness was a Loan being assigned to any such Sponsor Investor or Affiliated Debt Fund. The effectiveness of any Refinancing Amendment shall be

subject to, to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of board resolutions, officers' certificates and/or reaffirmation agreements consistent with those delivered on the Closing Date. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment. Each of the parties hereto hereby agrees that, upon the effectiveness of any Refinancing Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Credit Agreement Refinancing Indebtedness incurred pursuant thereto (including any amendments necessary to treat the Loans and Commitments subject thereto as Refinancing Term Loans, Refinancing Revolving Loans, Refinancing Term Loan Commitments or Refinancing Revolving Loan Commitments, as applicable) and any Indebtedness being replaced or refinanced with such Credit Agreement Refinancing Indebtedness shall be deemed permanently reduced and satisfied in all respects. Any Refinancing Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section.

(b) This Section 2.22 shall supersede any provisions in Section 10.02 to the contrary.

Section 2.23 Designation of Borrowers. (a) The Borrower may from time to time designate one or more Additional Borrowers for purposes of this Agreement by delivering to the Administrative Agent:

(i) all documentation and other information with respect to such Subsidiary required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation the Patriot Act no later than five Business Days prior to the date of such notice (or such later date as may be agreed by the Administrative Agent);

(ii) (A) solely to the extent such Additional Borrower is not already a Credit Party or such information or documents were not previously provided, all documents, updated schedules, instruments, certificates and agreements, and all other actions and information, then required by or in respect of such Additional Borrower by Section 5.10 or by the Security Agreement, including, without limitation, a perfected first priority pledge of the Equity Interests of such Additional Borrower (without giving effect to any grace periods for delivery of such items, the updating of such information or the taking of such actions), (B) a legal opinion of counsel to the Additional Borrower relating to such Additional Borrower, in form and substance consistent with that delivered in respect of the initial Borrower on the Closing Date, and (C) a customary secretary's certificate attaching such documents as were delivered by the original Borrower on the Closing Date;

(iii) documentation reasonably satisfactory to the Administrative Agent pursuant to which (i) each then-existing Borrower and Guarantors unconditionally Guarantees the Borrowings of the Additional Borrower on terms substantially consistent with the Guarantors' Guarantee of the initial Borrower's obligations hereunder and (ii) each Additional Borrower unconditionally Guarantees (or reconfirms its existing Guarantee) the Borrowings of each then-existing Borrower on terms substantially consistent with the Guarantors' Guarantee of the initial Borrower's obligations hereunder;



(iv) a customary joinder agreement whereby the Additional Borrower becomes party hereto as a Borrower and appoints the Borrower as a “Borrower Agent” hereunder and under the other Loan Documents, in form and substance reasonably satisfactory to the Administrative Agent.

(b) After such deliveries, the appointment of the Additional Borrower shall be effective upon the effectiveness of an amendment to this Agreement and any applicable Loan Document necessary (in the reasonable judgment of the Administrative Agent) to give effect to the appointment of such Additional Borrower (in form and substance reasonably acceptable to the Administrative Agent), including amendments to disambiguate certain uses of the word “Borrower” and related terms hereunder.

Section 2.24 AHYDO Prepayment. Notwithstanding the provisions of this Article II or any other provision in any Loan Document, if at the end of any accrual period (as defined in Section 1272(a)(5) of the Code) ending after the fifth anniversary of the initial issuance of a Loan, the aggregate amount of accrued and unpaid interest and original issue discount (as defined in Code Section 1273(a)(1)) on such Loan would, but for this paragraph, exceed an amount equal to the product of such Loan’s issue price (as defined in Code Sections 1273(b) and 1274(a)) multiplied by the yield to maturity (as defined in Treasury Regulation Section 1.1272-1(b)(1)(i)) (the “Maximum Accrual”), all accrued and unpaid interest and original issue discount on such Loan as of the end of such accrual period in excess of the Maximum Accrual shall be prepaid by the Borrower. The immediately preceding sentence shall be interpreted in accordance with the provisions of Code Section 163 so that none of the Loans is an “applicable high yield discount obligation”.

### **ARTICLE III REPRESENTATIONS AND WARRANTIES**

Each Credit Party represents and warrants to the Administrative Agent, the Collateral Agent, the Issuing Bank and each of the Lenders on each date set forth in Sections 4.01 and 4.02 that:

Section 3.01 Organization; Powers. Each Credit Party (a) is duly incorporated or organized and validly existing under the laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority to carry on its business as now conducted and to own and lease its property, in each case except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect, and (c) is qualified and in good standing (to the extent such concept is applicable in the applicable jurisdiction) to do business in every jurisdiction where such qualification is required, except in such jurisdictions where the failure to so qualify or be in good standing, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 3.02 Authorization; Enforceability. The Loan Documents to be entered into by each Credit Party are within such Credit Party's powers and have been duly authorized by all necessary action on the part of such Credit Party. This Agreement has been duly executed and delivered by each Credit Party and constitutes, and each other Loan Document to which any Credit Party is to be a party, when executed and delivered by such Credit Party, will constitute, a legal, valid and binding obligation of such Credit Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.03 No Conflicts. Except as set forth on Schedule 3.03, the execution, delivery and performance by the Credit Parties of the Loan Documents to which they are a party and the Credit Extensions contemplated by the Loan Documents (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) such as have been obtained or made and are in full force and effect, (ii) filings necessary to perfect Liens created by the Loan Documents and (iii) consents, approvals, registrations, filings, permits or actions the failure to obtain or perform which would not reasonably be expected to result in a Material Adverse Effect, (b) will not violate or require consent not obtained under the Organizational Documents of any Group Member, (c) will not violate or result in a default under any indenture or other material agreement or instrument binding upon any Group Member or any of their assets, or give rise to a right thereunder to require any payment, repurchase or redemption to be made by any Group Member, or give rise to a right of, or result in, termination, cancellation or acceleration of any obligation thereunder, except, individually or in the aggregate, where it would not reasonably be expected to result in a Material Adverse Effect, and (d) will not violate any Requirements of Law except, individually or in the aggregate, where it would not reasonably be expected to result in a Material Adverse Effect.

Section 3.04 Financial Statements; Projections.

(a) Historical Financial Statements; Pro Forma Balance Sheet. On the Closing Date, the Borrower shall have delivered to the Administrative Agent and made available to the Lenders (i) the Historical Financial Statements and (ii) a pro forma consolidated balance sheet and related pro forma consolidated statement of income of Holdings and its Subsidiaries as of and for the twelve-month period ending on June 30, 2018, prepared after giving effect to the Transactions as if the Transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such statement of income) (the "**Pro Forma Balance Sheet**"). The financial statements in the immediately preceding sentence (other than the Pro Forma Balance Sheet) have been prepared in accordance with GAAP and present fairly in all material respects the financial condition and the results of operations and cash flows of the applicable entities to which they relate as of the dates and for the periods to which they relate. The Pro Forma Balance Sheet has been prepared (1) in good faith, based on assumptions believed by Holdings to be reasonable and information reasonably available to, or in the possession or control of, the Credit Parties, in each case, as of the date of delivery thereof, and presents fairly in all material respects on a pro forma basis the estimated financial position of Holdings and its Subsidiaries as at the last day of and for the twelve month period ending June 30, 2018 and their estimated results of operations for the periods covered thereby, assuming that the Transactions had actually occurred at such date or at the beginning of the periods covered thereby and (2) in a manner consistently applied throughout the applicable period covered thereby. All financial statements delivered pursuant to Section 5.01(a) and Section 5.01(b) have been prepared in accordance with GAAP and present fairly in all material respects the financial condition and results of operations and cash flows of Holdings and its consolidated Restricted Subsidiaries as of the dates and for the periods to which they relate, except as indicated in any notes thereto and, in the case of any such unaudited financial statements, the absence of footnote disclosures and audit adjustments.

(b) Absence of Material Adverse Effect. Since the Closing Date, there has been no event, change, circumstance or occurrence that, individually or in the aggregate, has had or would reasonably be expected to result in a Material Adverse Effect.

(c) Pro Forma Financial Statements. The Borrower has heretofore delivered to the Administrative Agent and made available to the Lenders projections on a pro forma basis. Such financial projections on a pro forma basis (A) have been prepared in good faith by the Credit Parties, based upon (i) the assumptions stated therein (which assumptions are believed by the Credit Parties on the Closing Date to be reasonable), (ii) accounting principles consistent with the historical audited financial statements delivered pursuant to Section 3.04(a) and (iii) the information reasonably available to, or in the possession or control of, the Credit Parties as of the date of delivery thereof, (B) reflect in all material respects, all adjustments required to be made to give effect to the Transactions, (C) have been prepared in a manner consistently applied throughout the applicable period covered thereby, and (D) present fairly, in all material respects, the consolidated financial position and results of operations of the Credit Parties described therein as of such date and for such periods set forth therein, on a pro forma basis assuming that the Transactions had occurred at such dates (it being understood and agreed that (x) any financial or business projections or forecasts furnished are not to be viewed as facts or a guarantee of performance and are subject to significant uncertainties and contingencies, which may be beyond the control of any Credit Party, (y) no assurance is given by any Credit Party that any particular financial projections will be realized and (z) the actual results during the period or periods covered by any such projections or forecasts may differ from the projected or forecasted results and such differences may be material).

(d) Restatements. Each Lender and the Administrative Agent hereby acknowledge and agree that Holdings and its Subsidiaries may be required to restate historical financial statements as the result of the implementation of changes in GAAP or the interpretation thereof or purchase accounting adjustments and that such restatements on their own will not result in a Default or Event of Default under the Loan Documents.

#### Section 3.05 Properties.

(a) Title. Each Group Member (i) has good title to, or valid leasehold interests in, all of its Property (other than Intellectual Property, which is subject to Section 3.06 and not this Section 3.05) material to its business, except to the extent of any irregularities or deficiencies that would not be reasonably expected to, result in a Material Adverse Effect, and (ii) owns its Collateral and any Material Property, if any, in each case, free and clear of all Liens except for Permitted Liens and any Liens and privileges arising mandatorily by Law, and in each case, except where the failure to have such title or other interest could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Collateral. Each Credit Party owns or has rights to use all of the Collateral (other than Intellectual Property which is subject to Section 3.06) and all rights with respect to any of the foregoing, except, in each case, as could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.06 Intellectual Property.

(a) Ownership; No Claims. Except as set forth on Schedule 3.06, (i) each Credit Party owns, or is authorized to use, all Intellectual Property material to the conduct of its business as currently conducted, (ii) to the knowledge of each Credit Party, the operation of such Credit Party's business and the use of Intellectual Property owned by such Credit Party or licensed by such Credit Party do not infringe, misappropriate, dilute or otherwise violate the Intellectual Property rights of any person, except to the extent such violations, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, (iii) no claim or litigation regarding any Intellectual Property owned by a Credit Party is pending or, to the knowledge of any Credit Party, threatened in writing against any Credit Party or Subsidiary, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, (iv) the Borrower has taken (and caused its Subsidiaries to take) commercially reasonable steps to maintain, enforce and protect the owned material Intellectual Property of the Credit Parties and maintain the Credit Parties' rights in any material licensed Intellectual Property and (v) to the knowledge of each Credit Party, no Credit Party is in material breach of, or in material default under, any License of Intellectual Property to such Credit Party that is material to the operation of the business of such Credit Party except to the extent that such violations would not reasonably be expected to have a Material Adverse Effect.

(b) No Violations. Except as set forth on Schedule 3.06 (i) to the knowledge of each Credit Party, there is no violation, misappropriation or infringement by others of any right of such Credit Party with respect to any Intellectual Property that is owned by such Credit Party which, either individually or in the aggregate, could reasonably be expected to have Material Adverse Effect, (ii) each Credit Party has used commercially reasonable efforts to ensure that all software owned by the Credit Party that is distributed or otherwise made available to any third party (1) is free from any trojan horse, virus or similar malicious code or program that can cause material damage to computer systems using such Credit Party software, (2) functions and operates in all material respects for its intended purpose, and (3) employs reasonable safeguards to protect against security threats, except to the extent such violations, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 3.07 Equity Interests and Restricted Subsidiaries. As of the Closing Date, neither the Borrower nor any other Credit Party has any Subsidiaries other than those specifically disclosed on Schedule 3.07 and all of the outstanding Equity Interests in the Borrower and its Subsidiaries have been validly issued, are fully paid and nonassessable (other than Equity Interests consisting of limited liability company interests or partnership interests which, pursuant to the relevant organizational or formation documents, cannot be fully paid and nonassessable). All Equity Interests owned directly or indirectly by Holdings or any other Credit Party (other than any such Equity Interests owned directly or indirectly by any Unrestricted Subsidiary) are owned free and clear of all Liens except (i) those created under the Security Documents, and (ii) those Liens permitted under Section 6.02. As of the Closing Date, Schedule 3.07 sets forth (a) the name and

jurisdiction of organization or incorporation of each Subsidiary, (b) the ownership interest of Holdings, the Borrower and any of their respective Subsidiaries in each of their respective Subsidiaries, including the percentage of such ownership by class (if applicable) and (c) all outstanding options, warrants, rights of conversion or purchase and similar rights with respect to the equity of the Borrower or its Subsidiaries.

Section 3.08 Litigation. Except as set forth on Schedule 3.08, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the knowledge of Holdings or the Borrower, threatened in writing against or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against Holdings, Intermediate Holdings, the Borrower or any Restricted Subsidiary or against any of their properties or revenues that either individually or in the aggregate, could reasonably be expected, if adversely determined, to have a Material Adverse Effect.

Section 3.09 Federal Reserve Regulations. No Credit Party is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of buying or carrying Margin Stock. No part of the proceeds of any Loan or any Letter of Credit will be used for any purpose that violates Regulation T, U or X.

Section 3.10 Investment Company Act. No Credit Party is an “investment company” under the Investment Company Act of 1940, as amended.

Section 3.11 Use of Proceeds. The Borrower will (or will direct a Credit Party to) use the proceeds of the Term Loans on the Closing Date to finance, directly or indirectly through one or more related transactions, (i) a portion of the consideration for the Closing Date Acquisition, (ii) the other Transactions (other than the Closing Date Equity Issuance), (iii) the payment of related fees, costs and expenses and other transaction costs incurred in connection with the Transactions (including without limitation upfront fees and original issue discount) and (iv) working capital and general corporate purposes. The Borrower may (or may direct a Credit Party to) use the proceeds of the Revolving Loans on the Closing Date, (i) to fund certain amounts set forth in the Fee Letter, (ii) for the purpose of issuing Letters of Credit in order to, among other things, backstop or replace letters of credit outstanding on the Closing Date, (iii) for the purpose of cash collateralizing any letters of credit outstanding on the Closing Date and (iv) in an aggregate amount not to exceed \$5,000,000 to finance the Closing Date Acquisition, Consolidated Transaction Costs, purchase price adjustments under the Closing Date Acquisition Agreement (including with respect to the amount of all cash, cash equivalents (including Cash Equivalents), marketable securities and working capital to be acquired) and for other working capital or other general corporate purposes (collectively, “**Permitted Closing Date Revolving Advances**”). The Borrower will (or will direct a Credit Party to) use the proceeds of the Revolving Loans after the Closing Date for working capital and general corporate purposes, including, without limitation, to effect Permitted Acquisitions, Investments, working capital and/or purchase price adjustments (including in connection with the Closing Date Acquisition), Capital Expenditures, Dividends, Restricted Debt Payments and any other transaction not prohibited under this Agreement and, in each case, related fees and expenses. Proceeds of the Incremental Facilities may be used for working capital and general corporate purposes, including, without limitation, to finance Permitted Acquisitions and other Investments (including refinancing the existing Indebtedness of the acquired businesses), working capital and/or purchase price adjustments (including in connection with the Closing Date Acquisition), Capital Expenditures, Dividends and Restricted Debt Payments permitted hereunder, for any other purposes not prohibited by this Agreement and to pay related fees, costs and expenses in connection with such any transactions.

Section 3.12 Taxes. Each Group Member has (a) timely filed or caused to be timely filed all federal Tax Returns and all material state, local and foreign Tax Returns required to have been filed by it, (b) duly and timely paid or remitted or caused to be duly and timely paid or remitted all Taxes due and payable or remittable by it and all assessments received by it, except (i) Taxes that are being contested in good faith by appropriate proceedings and for which such Group Member has set aside on its books adequate reserves in accordance with GAAP, or (ii) Taxes which would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, and (c) satisfied all of its withholding Tax obligations except for failures that would not be reasonably expected to, individually or in the aggregate, result in a Material Adverse Effect or are being contested in good faith by appropriate proceedings and for which such Group Member has set aside on its books adequate reserves in accordance with GAAP. Each Group Member has made adequate provision in accordance with GAAP for all material Taxes not yet due and payable. Each Group Member is unaware of any proposed or pending Tax assessments, deficiencies or audits that would be reasonably expected to, individually or in the aggregate, result in a Material Adverse Effect. No Tax Lien (other than a Permitted Lien) has been filed, and no claim is being asserted, in either case with respect to any material Tax, fee or other charge. No Group Member has ever been a party to any “listed transaction,” within the meaning of section 6707A(c)(2) of the Code and/or Treasury Regulation Section 1.6011-4(b)(2).

Section 3.13 No Material Misstatements.

(a) No written information, report, financial statement, certificate, Borrowing Request, LC Request, exhibit or schedule (in each case other than forecasts, projections and other forward looking statements (collectively, “**Projections**”) and information of a general economic or industry nature) furnished by or on behalf of any Group Member to the Administrative Agent or any Lender in connection with any Loan Document or included therein or delivered pursuant thereto, taken as a whole and when furnished, contained or contains any material misstatement of fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were or are made, not materially misleading when taken as a whole as of the date such information, report, financial statement, certificate, Borrowing Request, LC Request, exhibit or schedule is dated or certified.

(b) With respect to any Projections delivered pursuant to the terms hereof, each Group Member represents only that on the date of delivery thereof it acted in good faith and utilized assumptions believed by it to be reasonable when made in light of the then current circumstances (it being understood that Projections are predictions as to future events and are not to be viewed as facts and are subject to significant uncertainties and contingencies, which are beyond the control of the Borrower and its Restricted Subsidiaries, and that no assurance or guarantee can be given that any Projections will be realized, that actual results may differ and such differences may be material).

Section 3.14 Labor Matters. Except as would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect, (i) there are no strikes, lockouts, or slowdowns against any Group Member pending or, to the knowledge of any Credit Party, threatened in writing, and (ii) the consummation of the Transactions will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which any Group Member is bound. The hours worked by and payments made to employees of any Group Member have not been in violation of the Fair Labor Standards Act of 1938, as amended, or any other applicable federal, state, local or foreign law dealing with such matters in any manner which would reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect. All payments due from any Group Member, or for which any claim may be made against any Group Member, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of such Group Member except where the failure to do so would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

Section 3.15 Solvency. Immediately after the consummation of the Transactions to occur on the Closing Date and immediately following the making of each Loan and after giving effect to the application of the proceeds of each Loan, Holdings and its Subsidiaries, on a consolidated basis, (a) have property with a fair value greater than the total amount of their debts and liabilities, contingent, subordinated or otherwise, (b) have assets with present fair saleable value not less than the amount that will be required to pay their liability on their debts as they become absolute and matured, (c) will be able generally to pay their debts and liabilities, subordinated, contingent and otherwise, as they become absolute and matured and (d) are not engaged in business or transactions, and are not about to engage in business or transactions, for which their property would constitute an unreasonably small amount of capital. For the purposes hereof, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

#### Section 3.16 Employee Benefit Plans.

With respect to each Employee Benefit Plan, each Group Member is in compliance in all respects with the applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder, except as would not reasonably be expected to result in a Material Adverse Effect. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other ERISA Events, would reasonably be expected to result in a Material Adverse Effect or the imposition of a Lien on any of the property of any Group Member. The present value of all accumulated benefit obligations of all underfunded Plans (based on the assumptions used for financial reporting purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the property of all such underfunded Plans by an amount that would reasonably be expected to result in a Material Adverse Effect. Using actuarial assumptions and computation methods consistent with Section 4211 of ERISA, the aggregate liabilities of each Group Member or its ERISA Affiliates to all Multiemployer Plans in the event of a complete withdrawal therefrom, as of the close of the most recent fiscal year of each such Multiemployer Plan, would not reasonably be expected to result in a Material Adverse Effect. As of the date hereof, no Group Member has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is insolvent (within the meaning of Section 4245 of ERISA), or is in “endangered status” or in “critical status” (each within the meaning of Section 432 of the Code) and no such Multiemployer Plan is reasonably expected by any Group Member to be insolvent, except, in each case, as would not reasonably be expected to result in a Material Adverse Effect.

Except as would not reasonably be expected to result in a Material Adverse Effect, (i) each Foreign Plan has been maintained in compliance with its terms and with the requirements of any and all applicable Requirements of Law and has been maintained, where required, in good standing with applicable regulatory authorities and (ii) no Group Member has incurred any obligation in connection with the termination of or withdrawal from any Foreign Plan. The present value of the accrued benefit liabilities (whether or not vested) under each Foreign Plan which is funded, determined as of the end of the most recently ended fiscal year of the respective Group Member on the basis of actuarial assumptions, each of which is reasonable, did not exceed the current value of the property of such Foreign Plan by an amount that would reasonably be expected to result in a Material Adverse Effect, and for each Foreign Plan which is not funded, the obligations of such Foreign Plan are properly accrued in accordance with GAAP in all material respects.

Section 3.17 Environmental Matters.

(a) Except as, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect:

(i) The Group Members and their businesses, operations and Real Property are in compliance with Environmental Law;

(ii) The Group Members have obtained all Environmental Permits required for the conduct of their businesses and operations, and the ownership, operation and use of their Real Property;

(iii) There has been no Release or threatened Release of Hazardous Material caused by the Group Members, or to the knowledge of the Group Members by any other person, on, at, under or from any Real Property presently, or to the knowledge of the Group Members, formerly owned, leased or operated by the Group Members;

(iv) There is no Environmental Claim pending or, to the knowledge of the Group Members, threatened against the Group Members, and to the knowledge of the Group Members, there are no facts or circumstances that would reasonably be expected to give rise to any such Environmental Claim; and

(v) No Lien has been recorded or, to the knowledge of any Group Member, threatened under any Environmental Law with respect to any Real Property currently owned, operated or leased by the Group Members.

(b) This Section 3.17 contains the sole and exclusive representations and warranties of the Group Members with respect to any matters arising under Environmental Laws or relating to Environmental Claims or Hazardous Materials.



Section 3.18 Security Documents.

(a) Valid Liens. Subject to Section 4.01(k), each Security Document delivered pursuant to Article IV, Section 5.10, and Section 5.11 will, upon execution and delivery thereof, be effective to create in favor of the Collateral Agent, for its benefit and the benefit of the other Secured Parties, legal, valid and enforceable Liens on, and security interests in, all of the Credit Parties' right, title and interest in and to the Collateral thereunder under applicable Requirements of Law (to the extent required hereunder and thereunder), except as such enforceability may be limited by Debtor Relief Laws and by general principles of equity and capital maintenance rules and (i) when appropriate filings or recordings are made in the appropriate offices as may be required under applicable Requirements of Law (to the extent required hereunder and thereunder), and (ii) upon the taking of possession, control or other action by the Collateral Agent of such Collateral with respect to which a security interest may be perfected only by possession, control or other action (which possession, control or other action shall be given to the Collateral Agent or taken by the Collateral Agent to the extent required by any Security Document), the Liens in favor of Collateral Agent will, to the extent required by the Loan Documents (including the Security Documents), constitute fully perfected Liens on, and security interests in, all right, title and interest of the Credit Parties in such Collateral, in each case under applicable Requirements of Law (to the extent required hereunder and thereunder), subject to no Liens other than the applicable Permitted Liens.

(b) Foreign Law Limitations. Notwithstanding anything to the contrary, compliance with applicable foreign law with respect to the grant, creation and perfection of Liens on and security interests in the Collateral will not be required herein or under any other Security Document.

Section 3.19 Anti-Terrorism Law. No Credit Party and none of its Subsidiaries is in violation of any applicable Requirements of Law relating to terrorism or money laundering ("**Anti-Terrorism Laws**"), including Executive Order No. 13224, effective September 24, 2001 (the "**Executive Order**"), and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, signed into law October 26, 2001 (the "**Patriot Act**"). The use of proceeds of the Loans will not violate the Trading With the Enemy Act (50 U.S.C. §§ 1-44, as amended) or any applicable foreign asset control regulations of the United States Treasury Department (31 C.F.R. Subtitle B, Chapter V). As of the Closing Date, to the knowledge of the Borrower, the information included in the Beneficial Ownership Certification is true and correct in all material respects.

Section 3.20 OFAC. None of Holdings, the Borrower, any Subsidiary nor, to the knowledge of the Borrower, any director, officer, employee, or agent of Holdings, Intermediate Holdings, the Borrower or any Restricted Subsidiary is (x) the subject or target of any applicable U.S. sanctions administered by OFAC or the U.S. Department of State or any applicable similar laws or regulations enacted by the European Union or the United Kingdom (collectively, "Sanctions") or (y) is located, organized or resident in a country or territory that is subject of comprehensive Sanctions (including, without limitation, Cuba, Iran, North Korea and Syria). The Borrower shall not use the proceeds of the Loans, directly or, to the Borrower's knowledge, indirectly, or otherwise make available such proceeds to any Person, for the purpose of financing activities of or with (i) any Person that is the subject or target of any applicable Sanctions, or (ii) in any country that, at the time of such financing is the subject or target of any country- or territory-wide Sanctions, or (iii) in any other manner that would result in a violation of applicable Sanctions by any Person that is a party to this Agreement, except, in the case of clauses (i), (ii), and (iii), to the extent licensed by OFAC or otherwise authorized under U.S. law or, if applicable, to the extent licensed or authorized under any similar laws or regulations enacted by the European Union or the United Kingdom.

Section 3.21 Foreign Corrupt Practices Act. No part of the proceeds of the Loans or issued Letters of Credit will be used directly or, to the Borrower's knowledge, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or any other Person acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended, or any similar Requirements of Law.

Section 3.22 Compliance with Law. Each of Holdings, the Borrower and each Restricted Subsidiary is in compliance with all Requirements of Law and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such Requirements of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

#### **ARTICLE IV CONDITIONS**

Section 4.01 Conditions to Initial Credit Extension. The obligation of each Lender and, if applicable, the Issuing Bank, to fund the initial Credit Extension on the Closing Date requested to be made by the Borrower shall be subject to the prior or concurrent satisfaction or waiver of only the conditions precedent set forth in this Section 4.01 (the making of such initial Credit Extension by a Lender being conclusively deemed to be its satisfaction or waiver of the conditions precedent):

(a) Loan Documents. There shall have been delivered to the Administrative Agent from each Credit Party an executed counterpart of each of the Loan Documents to which each is a party to be entered into on the Closing Date.

(b) Corporate Documents. The Administrative Agent shall have received:

(i) a certificate of the secretary or assistant secretary (or equivalent officer) on behalf of each Credit Party dated the Closing Date, certifying (A) that attached thereto is a true and complete copy of each Organizational Document of such Credit Party and, with respect to the articles or certificate of incorporation or organization (or similar document) certified (to the extent applicable) as of a recent date by the Secretary of State of the state of its organization, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors of such Credit Party authorizing the execution, delivery and performance of the Loan Documents to which such person is a party and, in the case of the Borrower, the Borrowings hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect as of the date of such certificate, and (C) as to the incumbency and specimen signature of each officer or authorized person executing any Loan Document or any other document delivered in connection herewith on behalf of such Credit Party (together with a certificate of another officer or authorized person as to the incumbency and specimen signature of the officer or authorized person executing the certificate in this clause (i));

(ii) to the extent available, a certificate as to the good standing of each Credit Party as of a recent date, from such Secretary of State (or other applicable Governmental Authority) of its jurisdiction of organization; and

(iii) the Administrative Agent shall have received a certificate dated the Closing Date and signed by a Responsible Officer of Holdings, confirming compliance with the conditions precedent set forth in Sections 4.01(c), (f), (i) and (j) and Sections 4.02(b) and (c).

(c) Closing Date Acquisition and Other Transactions.

(i) The Closing Date Acquisition shall have been consummated in all material respects in accordance with the Closing Date Acquisition Agreement or shall be consummated substantially simultaneously with the initial Credit Extension, and the Administrative Agent shall have received a copy of the Closing Date Acquisition Agreement certified by a Responsible Officer of Holdings as being true, accurate and complete as of the date hereof,

(ii) Substantially concurrently with the Initial Credit Extension, the Credit Parties shall have repaid in full all loans outstanding pursuant to the Existing Credit Facilities.

(d) Opinion of Counsel. The Administrative Agent shall have received, on behalf of itself, the Collateral Agent and the Lenders, a customary opinion of Kirkland & Ellis LLP, special counsel for the Credit Parties, dated as of the Closing Date and addressed to the Agents, the Issuing Bank and the Lenders.

(e) Solvency Certificate. The Administrative Agent shall have received a solvency certificate in the form of Exhibit I dated the Closing Date and signed by the chief financial officer (or other officer with reasonably equivalent duties) of Holdings.

(f) No Material Adverse Effect. Since the date of the Closing Date Acquisition Agreement, there shall not have occurred a continuing and ongoing Material Adverse Effect (as defined in the Closing Date Acquisition Agreement).

(g) Fees. The Lenders and the Administrative Agent shall have received all fees and other amounts due and payable to them by the Borrower on or prior to the Closing Date, including, to the extent invoiced, reimbursement or payment of all reasonable and documented out-of-pocket fees and expenses (including the legal fees and expenses of Latham & Watkins LLP, special counsel to the Agents) required to be reimbursed or paid by the Borrower under this Agreement, including, without limitation, as set forth in the Fee Letter; *provided* that, in the case of costs and expenses, an invoice for all such fees and expenses shall be received by the Borrower at least three (3) Business Days prior to the Closing Date for payment to be required as a condition to the Closing Date.

(h) Patriot Act. So long as reasonably requested by the Administrative Agent at least seven (7) Business Days prior to the Closing Date, the Administrative Agent shall have received, at least three (3) Business Days prior to the Closing Date, all documentation and other information, including, without limitation, each Credit Party's W-9, with respect to the Credit Parties that is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act. If the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, the Borrower shall deliver a Beneficial Ownership Certification at least three (3) Business Days prior to the Closing Date (to the extent reasonably requested by the Administrative Agent at least seven (7) Business Days prior to the Closing Date).

(i) Closing Date Equity Issuance. The Closing Date Equity Issuance shall have been consummated substantially simultaneously with the initial Borrowing of Term Loans hereunder and, immediately upon giving effect thereto and the consummation of the Closing Date Acquisition, the Sponsor shall own Voting Stock of Holdings representing more than 50% of the voting power of the total outstanding Voting Stock of Holdings.

(j) Closing Date Representations. (i) The Specified Acquisition Agreement Representations and (ii) the Specified Representations shall be true and correct in all material respects (or, to the extent qualified by materiality, in all respects).

(k) Creation and Perfection of Security Interests. Notwithstanding anything to the contrary in this Section 4.01, with respect to the Secured Obligations, all actions necessary to establish that the Collateral Agent will have a perfected first priority security interest (subject to Permitted Liens) in the Collateral under the Loan Documents shall have been taken, in each case, to the extent such Collateral (including the creation or perfection of any security interest) is required to be provided on the Closing Date; *provided* that to the extent any security interest in the Collateral is not granted or perfected on the Closing Date after Borrower's commercially reasonable efforts to do so (other than (x) grants of Collateral subject to the UCC and the delivery of and authorization to file Uniform Commercial Code financing statements, (y) the filing of Intellectual Property security agreements in the United States Patent and Trademark Office or the United States Copyright Office, as the case may be (for the avoidance of doubt, the Borrower shall not be obligated to perfect any foreign Intellectual Property), and (z) the delivery of stock certificates and stock powers for "certificated securities" (as defined in Article 8 of the UCC) of Intermediate Holdings, the Borrower and the other Credit Parties (other than Excluded Equity Interests) that are part of the Collateral; *provided* that such "certificated securities", other than "certificated securities" of the Borrower or Intermediate Holdings, will be required to be delivered hereunder only to the extent received from the Borrower, after use of commercially reasonable efforts to obtain such "certificated securities"; *provided further* that any "certificated securities" and not so delivered on the Closing Date will be required to be delivered within 30 days after the Closing Date (or such longer period as the Administrative Agent may agree in its sole, reasonable discretion)), the grant or perfection of such security interest (including, without limitation, the security interest on any Real Property that is part of the Collateral) shall not constitute a condition precedent to the availability of the Credit Extension to be made on the Closing Date, but shall be granted or perfected, as the case may be, within 90 days after the Closing Date (or such longer period as the Administrative Agent may agree in its sole, reasonable discretion or as provided in Section 5.15).

(l) Notice. The Administrative Agent shall have received a Borrowing Request as required by Section 2.03 (or such notice shall have been deemed to be given in accordance with Section 2.03) for any Loans to be made on the Closing Date or, in the case of the issuance of a Letter of Credit on the Closing Date, the Issuing Bank and the Administrative Agent shall have received an LC Request as required by Section 2.18(b).

(m) Financial Statements; Pro Forma Financial Information. The Administrative Agent shall have received (i) the Historical Financial Statements and (ii) the Pro Forma Balance Sheet.

In determining the satisfaction of the conditions specified in this Section 4.01, (y) to the extent any item is required to be satisfactory to any Lender, such item shall be deemed satisfactory to each Lender which has not notified the Administrative Agent in writing prior to the occurrence of the Closing Date that the respective item or matter does not meet its satisfaction and (z) in determining whether any Lender is aware of any fact, condition or event that has occurred and which would reasonably be expected to have a Material Adverse Effect or a Material Adverse Effect (as defined in the Closing Date Acquisition Agreement), each Lender which has not notified the Administrative Agent in writing prior to the occurrence of the Closing Date of such fact, condition or event shall be deemed not to be aware of any such fact, condition or event on the Closing Date. Upon the Administrative Agent's good faith determination that the conditions specified in this Section 4.01 have been met (after giving effect to the preceding sentence), then the Closing Date shall have been deemed to have occurred, regardless of any subsequent determination that one or more of the conditions thereto had not been met.

Without limiting the generality of Section 9.05(b), for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required hereunder or thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Section 4.02 Conditions to All Credit Extensions. The obligation of each Lender and each Issuing Bank to make any Credit Extension (including the Credit Extensions on the Closing Date) with respect to any Term Loan or Revolving Loan under Section 2.03 or Letter of Credit under Section 2.18 shall be subject to the satisfaction, or waiver, of each of the conditions precedent set forth below.

(a) Notice. The Administrative Agent shall have received a Borrowing Request as required by Section 2.03 (or such notice shall have been deemed given in accordance with Section 2.03) if Loans are being requested or, in the case of the issuance, amendment, extension or renewal of a Letter of Credit, the Issuing Bank and the Administrative Agent shall have received an LC Request as required by Section 2.18.

(b) No Default. At the time of and immediately after giving effect to such Credit Extension, no Default or Event of Default shall have occurred and be continuing on such date.

(c) Representations and Warranties. Each of the representations and warranties made by any Credit Party set forth in Article III hereof or in any other Loan Document or, solely with respect to the Credit Extensions on the Closing Date the Specified Representations, shall be true and correct in all material respects (except that any representation and warranty that is qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects) on and as of the date of such Credit Extension with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date in which case such representations and warranties shall be true and correct in all material respects (except that any representation and warranty that is qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects) as of such earlier date, and solely with respect to the Specified Representations, without giving effect to the Closing Date Acquisition.

Each of the delivery (or deemed delivery) of a Borrowing Request or an LC Request and the acceptance by the Borrower of the proceeds of such Credit Extension shall constitute a representation and warranty by the Borrower and each other Credit Party that on the date of such Credit Extension (both immediately before and immediately after giving effect to such Credit Extension) the conditions contained in this Article IV have been satisfied or waived.

## **ARTICLE V AFFIRMATIVE COVENANTS**

The Borrower and the Subsidiary Guarantors (and Holdings and Intermediate Holdings, with respect to Sections 5.01, 5.02, 5.03, 5.04, 5.05, 5.06, 5.07, 5.10, 5.11, 5.12, 5.13, and 5.14) warrant, covenant and agree with each Lender that at all times after the Closing Date, so long as this Agreement shall remain in effect and until the Obligations have been Paid in Full and the Commitments have been terminated, the Borrower and the Subsidiary Guarantors (and Holdings and Intermediate Holdings, with respect to Sections 5.01, 5.02, 5.03, 5.04, 5.05, 5.06, 5.07, 5.10, 5.11, 5.13, and 5.14) will, and will cause each of their respective Restricted Subsidiaries to:

Section 5.01 Financial Statements, Reports, etc. Furnish to the Administrative Agent for distribution to each Lender:

(a) Annual Reports. Within one hundred twenty (120) days after the last day of each fiscal year of Holdings commencing with the fiscal year ending December 31, 2018 (but one hundred fifty (150) days for the fiscal year ending December 31, 2018), a copy of the consolidated balance sheet of Holdings and its Restricted Subsidiaries as of the last day of the fiscal year then ended and the consolidated statements of income and cash flows of Holdings and its Restricted Subsidiaries for the fiscal year then ended, and accompanying notes thereto, each in reasonable detail showing in comparative form the figures for the previous fiscal year (starting with the fiscal year ending December 31, 2019) accompanied in the case of the consolidated financial statements by an opinion of an independent public accounting firm of recognized national standing or other accounting firm selected by the Borrower and reasonably acceptable to the Administrative Agent (which opinion shall be unqualified as to scope, subject to the proviso below) to the effect that the consolidated financial statements have been prepared in accordance with GAAP and present fairly in all material respects the consolidated financial condition and

results of operations and cash flows of Holdings and its Restricted Subsidiaries as of the close of and for such fiscal year; *provided* that such financial statements shall not contain a “going concern” qualification or statement, except to the extent that such a “going concern” qualification or statement relates to (A) the report and opinion accompanying the financial statements for the fiscal year ending immediately prior to the stated final maturity date of the Loans, Permitted Pari Passu Refinancing Debt, Permitted Unsecured Refinancing Debt or Permitted Junior Refinancing Debt and which qualification or statement is solely a consequence of such impending stated final maturity date or (B) any potential inability to satisfy the Financial Covenants, or any financial covenant under any other Indebtedness on a future date or in a future period; in each case, such financial statements shall be accompanied by a customary management discussion and analysis of the financial performance of Holdings and its Restricted Subsidiaries;

(b) Quarterly Reports. Commencing with the first full fiscal quarter ending after the Closing Date, within sixty (60) days after the last day of each fiscal quarter of each fiscal year of Holdings for which financial statements are required to be delivered pursuant to this clause (b) (or seventy-five (75) days for the first three (3) full fiscal quarters ending after the Closing Date for which financial statements are required to be delivered pursuant to this clause (b)), a copy of the unaudited consolidated balance sheet of Holdings and its Restricted Subsidiaries as of the last day of such fiscal quarter and the unaudited consolidated statements of income and cash flows of Holdings and its Restricted Subsidiaries for the fiscal quarter and for the fiscal year-to-date period then ended, each in reasonable detail and showing in comparative form the figures for the corresponding date and period in the previous fiscal year of Holdings (starting with the first full fiscal quarter ending at least one year after the Closing Date) and to the corresponding period set forth in the operating budget delivered pursuant to subsection (e) below (starting, with respect to the operating budget, with the first fiscal quarter ending after delivery of the first operating budget pursuant to subsection (e) below), prepared by Holdings in accordance with GAAP (subject to the absence of footnote disclosures and year-end audit adjustments) and certified on behalf of Holdings by a Financial Officer as prepared in accordance with GAAP subject to the absence of footnote disclosures and year-end audit adjustments and presenting fairly in all material respects the financial condition and results of operations of Holdings and its Restricted Subsidiaries in all material respects;

(c) Monthly Reports. Commencing with the first full month ending after the Closing Date, within thirty (30) days after the last day of each of month of each fiscal year of Holdings for which financial statements are required to be delivered pursuant to this clause (c) (or forty-five (45) days for the first twelve (12) fiscal months ending after the Closing Date for which financial statements are required to be delivered pursuant to this clause (c)), a copy of the unaudited consolidated balance sheet of Holdings and its Restricted Subsidiaries as of the last day of such month and the unaudited consolidated statements of income, and cash flows of Holdings and its Restricted Subsidiaries for the corresponding month, each in reasonable detail and showing in comparative form the figures for the corresponding date and period in the previous fiscal year of Holdings (starting with the first full month ending one year after the Closing Date), prepared by Holdings in accordance with GAAP (subject to the absence of footnote disclosures and year-end audit adjustments) and certified on behalf of Holdings by a Financial Officer as prepared in accordance with GAAP and presenting fairly in all material respects the financial condition and results of operations and cash flows of Holdings and its Restricted Subsidiaries in all material respects; *provided*, that, notwithstanding the foregoing, on or prior to the later of sixty (60) days

after the Closing Date and the date on which the first monthly financial statements are delivered pursuant to this Section 5.01(c), Borrower shall also deliver (or cause to be delivered) a copy of the unaudited monthly financial statements, in form and substance customarily prepared by management for the Borrower's board of directors prior to the Closing Date, for each of the fiscal months ended May 31, 2018, June 30, 2018 and July 31, 2018;

(d) Financial Officer's Certificate. Concurrently with any delivery of financial statements under Section 5.01(a) or (b), a Compliance Certificate (i) certifying on behalf of Holdings that, to its knowledge, no Default or Event of Default has occurred and is continuing or, if such known Default or Event of Default has occurred and is continuing, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto; *provided* that, if such Compliance Certificate demonstrates that an Event of Default has occurred and is continuing due to a failure to comply with any covenant under Section 6.08 that has not been cured prior to such time, the Borrower may deliver, to the extent and within the time period permitted by Section 8.03, prior to, after or together with such Compliance Certificate, a Notice of Intent to Cure such Event of Default, (ii) setting forth the computation of the Financial Covenants then in effect and, (iii) setting forth, in the case of each Compliance Certificate delivered concurrently with any delivery of financial statements under Section 5.01(a) above, the Borrower's calculation of Excess Cash Flow starting with the first full fiscal year after the Closing Date; *provided* that, for the avoidance of doubt, no Compliance Certificate shall "bring down" any representations and warranties made herein or in any other Loan Document;

(e) Budgets. Prior to the consummation of an IPO, commencing with the fiscal year beginning January 1, 2019, within one hundred twenty (120) days after the beginning of each fiscal year, an annual budget (on a quarterly basis) in form customarily prepared with regard to Holdings and its Restricted Subsidiaries by Holdings;

(f) Bookings Reports. Concurrently with any delivery of financial statements under Section 5.01(b) or (c), a quarterly or monthly bookings report (in each case, showing the split between recurring and non-recurring bookings) and calculated billings, as applicable, for Holdings and its Restricted Subsidiaries; and

(g) Retention Analysis. Concurrently with any delivery of financial statements under Section 5.01(b), a quarterly retention analysis for Holdings and its Restricted Subsidiaries; and

(h) Other Information. Promptly, from time to time, and upon the reasonable written request of the Administrative Agent, such other reasonably requested information of the Group Members regarding the operations, business affairs and financial condition (including (w) information required under the Patriot Act, (x) an updated Beneficial Ownership Certification, (y) to the extent available to the Borrower, any material agreements, documents or instruments pursuant to which any Permitted Acquisition is to be consummated and (z) to the extent available to the Borrower, any quality of earnings report prepared in connection with any Permitted Acquisition and any financial statements of the Person to be acquired); *provided* that nothing in this Section 5.01(e) shall require any Group Member to take any action that would violate any third party customary confidentiality agreement (other than any such confidentiality agreement entered into in contemplation of this Agreement) with any Person that is not an Affiliate (and, in all events, so long as such confidentiality agreement does not relate to information regarding the financial affairs of any Group Member or the compliance with the terms of any Loan Document) or waive any attorney-client or similar privilege.



Documents required to be delivered pursuant to Section 5.01(a) through Section 5.01(e) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which such documents are sent via e-mail to the Administrative Agent for posting on the Borrower's behalf on IntraLinks/IntraAgency or another relevant website, if any, established on its behalf by the Administrative Agent and to which each Lender and the Administrative Agent have access or the date on which the Borrower has posted such documents on its own website to which each Lender and the Administrative Agent have access and notified the Administrative Agent of such posting. Notwithstanding anything contained herein, at the reasonable written request of the Administrative Agent, the Borrower shall thereafter promptly be required to provide paper copies of any documents required to be delivered pursuant to Section 5.01. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents. If the delivery of any of the foregoing documents required under this Section 5.01 shall fall on a day that is not a Business Day, such deliverable shall be due on the next succeeding Business Day.

Section 5.02 Litigation and Other Notices. Furnish to the Administrative Agent written notice of the following promptly (and, in any event, within five (5) Business Days or such later date as may be agreed by the Administrative Agent in its reasonable discretion) of a Responsible Officer of the Borrower obtaining actual knowledge thereof:

- (a) any Default or Event of Default, specifying the nature and extent thereof and the corrective action (if any) taken or proposed to be taken with respect thereto;
- (b) any litigation or governmental proceeding pending against Holdings, Intermediate Holdings, the Borrower or any of its Subsidiaries that could reasonably be expected to be determined adversely and, if so determined, to result in a Material Adverse Effect;
- (c) the occurrence of any ERISA Event that could, when taken either alone or together with all such other ERISA Events, reasonably be expected to have a Material Adverse Effect;
- (d) any development that has resulted in, or could reasonably be expected to result in a Material Adverse Effect.

Section 5.03 Existence; Properties.

(a) Do or cause to be done all things necessary to preserve, renew and maintain in full force and effect its legal existence, except as otherwise permitted under Sections 6.04 or 6.05 or, in the case of any Restricted Subsidiary that is not a Credit Party, where the failure to perform such obligations could not reasonably be expected to result in a Material Adverse Effect.

(b) Do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the rights, licenses, permits, privileges, franchises, authorizations and Intellectual Property which are necessary and material to the conduct of its business (except where the failure to do so could not be reasonably expected to have a Material Adverse Effect); and comply with all applicable Requirements of Law and decrees and orders of any Governmental Authority applicable to it or to its business or property, except to the extent failure to comply therewith, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect; *provided* that nothing in this Section 5.03(b) shall prevent sales of property, consolidations or mergers by or involving any Company in accordance with Section 6.04 or 6.05. Notwithstanding the foregoing or anything else to the contrary in any Loan Document, each Credit Party and each other Restricted Subsidiary may abandon, cancel, terminate, permit or allow the lapse, invalidation, expiration, cancellation, cessation or termination of, or fail to maintain, pursue, preserve or protect any of its respective Intellectual Property that are, in the reasonable business judgment of such Credit Party or Restricted Subsidiary, no longer economically practicable, commercially desirable to maintain or useful, except to the extent any such abandonment, lapse, cancellation, termination, cessation or failure, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(c) Except if the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, maintain, preserve and protect all of its properties and equipment material to the operation of its business in good working order, repair and condition, ordinary wear and tear excepted and casualty or condemnation excepted.

#### Section 5.04 Insurance.

(a) Keep its insurable property adequately insured at all times by financially sound and reputable insurers; maintain such other insurance, in each case, to such extent and against such risks as is customary with companies in the same or similar businesses operating in the same or similar locations.

(b) From and after thirty (30) days after the Closing Date (or such later date as the Administrative Agent may agree in its sole discretion), the Credit Parties shall cause all such insurance with respect to the Credit Parties and property constituting Collateral to be endorsed to provide that the Collateral Agent is an additional insured or lender loss payee, as applicable, and that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days after receipt by the Collateral Agent of written notice thereof (or if such cancellation is by reason of nonpayment of premium, at least ten (10) days' prior written notice) (unless it is such insurer's policy not to provide such a statement).

(c) If at any time the buildings and other improvements (as described in the applicable Mortgage) on a Material Property that is encumbered by a Mortgage required by this Agreement are located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a special flood hazard area with respect to which flood insurance has been made available under the National Flood Insurance Act of 1968 (as now or hereafter in effect or successor act thereto), then, solely to the extent required by applicable Requirements of Law, the Borrower shall, or shall cause the applicable Credit Party, to maintain, with a financially sound and reputable insurer, flood insurance in an amount and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to the Flood Insurance Laws and deliver to the Administrative Agent evidence of such compliance in form and substance reasonably acceptable to the Administrative Agent.

Section 5.05 Taxes. Pay and discharge promptly when due all Taxes imposed upon it or upon its income or profits or in respect of its property, before the same shall become delinquent, or in default; provided that such payment and discharge shall not be required with respect to any such Tax so long as (x)(i) the validity or amount thereof shall be contested in good faith by appropriate proceedings and the applicable Group Member shall have set aside on its books adequate reserves or other appropriate provisions with respect thereto in accordance with GAAP and (ii) such contest operates to suspend collection of the contested Tax and enforcement of a Lien (other than a Permitted Lien) or (y) the failure to pay would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect

Section 5.06 Employee Benefits.

(a) With respect to any Employee Benefit Plan or Foreign Plan, comply in all respects with the applicable provisions of ERISA, the Code and Requirements of Law applicable in respect of any Foreign Plan except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect; and

(b) Furnish to the Administrative Agent (x) as soon as reasonably practicable after, and in any event within 10 days (or such later date as may be agreed to by the Administrative Agent in its sole discretion) after any Responsible Officer of any Group Member knows or has reason to know that any ERISA Event or any failures to meet funding or other applicable Requirements of Law with respect to Foreign Plans has occurred that, alone or together with any other ERISA Event or such noncompliance event with respect to Foreign Plans, would reasonably be expected to result in liability of the Group Members which would reasonably be expected to have a Material Adverse Effect or the imposition of a Lien on any property of any Credit Party, a statement of a Responsible Officer of the Borrower setting forth details as to such ERISA Event or such noncompliance event with respect to Foreign Plans and the action, if any, that the Group Members propose to take with respect thereto, (y) upon reasonable request by the Administrative Agent, copies of (i) each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) filed by any Group Members or any ERISA Affiliate thereof with the Internal Revenue Service with respect to each Plan; (ii) the most recent actuarial valuation report for each Plan or Foreign Plan; (iii) all notices received by any Group Member or any ERISA Affiliate thereof from a Multiemployer Plan sponsor or any Governmental Authority concerning an ERISA Event or such noncompliance event with respect to Foreign Plans; and (iv) such other documents or governmental reports or filings relating to any Plan or Foreign Plan in each case, that is sponsored by, or contributed by, a Group Member, as the Administrative Agent shall reasonably request and (z) promptly following any request therefor, copies of (i) any documents described in Section 101(k) of ERISA that any Group Member has received with respect to any Multiemployer Plan and (ii) any notices described in Section 101(1) of ERISA that any Group Member has received with respect to any Multiemployer Plan; *provided* that if any Group Member has not received such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, upon the Administrative Agent's reasonable request, the applicable Group Member shall promptly make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after receipt thereof.

Section 5.07 Maintaining Records; Access to Properties and Inspections. Maintain a system of accounting that enables Holdings to produce financial statements in accordance with GAAP. Each Group Member will permit any representatives designated by the Administrative Agent to visit during its regular business hours and with reasonable advance written notice thereof (provided that no such advance notice shall be required during the continuance of an Event of Default) and inspect the financial records and the property of such Group Member at reasonable times up to one (1) time per calendar year (but without frequency limit during the continuance of an Event of Default) and to make extracts from and copies of such financial records, and permit any representatives designated by the Administrative Agent to discuss the affairs, finances, accounts and condition of any Group Member with the officers and employees thereof and advisors therefor (including independent accountants); *provided* that the Administrative Agent shall give any Group Member an opportunity for its representatives to participate in any such discussions; *provided, further*, that so long as no Event of Default has occurred and is then continuing, the Borrower shall not bear the cost of more than one such inspection per calendar year by the Administrative Agent and Lenders (or their respective representatives). Notwithstanding anything to the contrary in this Section 5.07, no Group Member will be required to disclose or permit the inspection or discussion of, any document, information or other matter (i) that constitutes confidential Intellectual Property, including trade secrets or other confidential proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by Requirements of Law or any binding agreement (not entered into in contemplation hereof), or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

Section 5.08 Use of Proceeds. Use the proceeds of the Loans and use issued Letters of Credit only for the purposes set forth in Section 3.11.

Section 5.09 Compliance with Environmental Laws; Environmental Reports.

(a) Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, (i) comply with all Environmental Laws and Environmental Permits applicable to its operations and Real Property; (ii) obtain and renew all Environmental Permits applicable to its operations and owned Real Property and, to the extent the Group Members are required to obtain such Environmental Permits under the applicable lease or Requirements of Law, leased Real Property; and (iii) comply with all lawful orders of a Governmental Authority required of the Group Members by, and in accordance with, Environmental Laws; *provided* that no Group Member shall be required to comply with such orders to the extent that its obligation to do so is being contested in good faith and by proper proceedings.

(b) If an Event of Default caused by reason of a breach of Section 3.17 or 5.09(a) shall have occurred and be continuing for more than thirty (30) days without the Group Members commencing activities reasonably likely to cure such Event of Default in accordance with Environmental Laws, at the reasonable written request of the Administrative Agent or the Required Lenders through the Administrative Agent, which written request will describe the nature and subject of the Event of Default, the Borrower shall provide to the Administrative Agent within sixty (60) days after such request (or by such later date as may be agreed to by the Administrative Agent in its sole discretion), at the expense of the Borrower, an environmental assessment report

regarding the matters which are the subject of such Event of Default, prepared by an environmental consulting firm reasonably acceptable to the Administrative Agent; *provided, however*, notwithstanding anything to the contrary contained herein or in any other Loan Document, under no other circumstances shall any environmental assessment report (or any other environmental report) be required under any Loan Document.

Section 5.10 Additional Collateral; Additional Guarantors.

(a) Subject to the terms of the Security Documents and Section 3.18, Section 4.01(k), Section 5.11 and Section 5.15, with respect to any personal property created or acquired after the Closing Date by any Credit Party that constitutes "Collateral" under any of the Security Documents or is intended to be subject to the Liens created by any Security Document but is not so subject to a Lien thereunder, but in any event subject to the terms, conditions and limitations thereunder, within sixty (60) days after the acquisition thereof, or such longer period as the Administrative Agent may approve in each case in its sole discretion, (i) execute and deliver to the Administrative Agent and the Collateral Agent such amendments or supplements to the relevant Security Documents or such other documents, including, without limitation, customary legal opinions as the Administrative Agent or the Collateral Agent shall reasonably deem necessary to grant to the Collateral Agent, for its benefit and for the benefit of the other Secured Parties, a Lien under applicable U.S. state and federal law on such Collateral subject to no Liens other than Permitted Liens, and (ii) take all actions reasonably necessary to cause such Lien to be duly perfected to the extent required by such Security Document in accordance with all applicable U.S. state and federal law, including the filing of financing statements in such U.S. jurisdictions as may be reasonably requested by the Administrative Agent or the Collateral Agent. The Borrower and the other Credit Parties shall otherwise take such actions and execute and/or deliver to the Collateral Agent (or its non-fiduciary agent or designee pursuant to any Intercreditor Agreement) such New York law governed documents as the Administrative Agent or the Collateral Agent shall reasonably require to confirm the validity, perfection and priority of the Lien of the Security Documents on such after-acquired Collateral.

(b) Subject to the terms of the Security Documents and Section 5.15, upon the formation or acquisition of, or the re-designation of an Unrestricted Subsidiary as, a Restricted Subsidiary that is a Wholly-Owned Restricted Subsidiary (other than any Excluded Subsidiary) after the Closing Date (other than a merger Subsidiary formed in connection with a Permitted Acquisition so long as such merger Subsidiary is merged out of existence pursuant to such Permitted Acquisition or otherwise merged out of existence or dissolved within sixty (60) days of its formation (or such later date as permitted by the Administrative Agent in its sole discretion)) or upon any Excluded Subsidiary ceasing to constitute an Excluded Subsidiary (as reasonably determined by the Borrower), within sixty (60) days after such formation, acquisition, designation or cessation, or such longer period as the Administrative Agent may approve in its reasonable discretion, the Borrower shall:

(i) deliver to the Collateral Agent the certificates, if any, representing all of the Equity Interests of such Wholly-Owned Restricted Subsidiary that constitute Collateral and that are "certificated securities" (as defined in Article 8 of the UCC), together with undated Equity Interest powers or other appropriate instruments of transfer executed and delivered in blank by a duly authorized officer of the holder(s) of such Equity

Interests, and all intercompany notes owing from such Wholly-Owned Restricted Subsidiary to any Credit Party required to be delivered pursuant to the Security Agreement or other applicable Security Document and not previously so delivered, together with instruments of transfer executed and delivered in blank by a duly authorized officer of such Credit Party or Additional Guarantor, as applicable; and

(ii) cause any such new Wholly-Owned Restricted Subsidiary (except Excluded Subsidiaries), (A) to execute a Joinder Agreement or such comparable documentation to become a Subsidiary Guarantor (including, without limitation, (1) all documentation and other information with respect to such new Restricted Subsidiary required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including without limitation the Patriot Act, and (2) customary secretary’s certificates with respect to each new Restricted Subsidiary attaching such documents as were delivered by the original Subsidiary Guarantors on the Closing Date) or, to the extent the Borrower elects to join such Subsidiary as a co-borrower, to become a Borrower in compliance with Section 2.23 hereof, and a joinder agreement to the Security Agreement, substantially in the form annexed thereto, and (B) to take all actions reasonably necessary to cause the Lien created on the Collateral (which shall exclude Excluded Property and be subject to the limitations set forth herein and the applicable Security Documents) by the applicable Security Documents to be duly perfected under U.S. federal and applicable state and local law to the extent required by such agreements in accordance with all applicable U.S. Requirements of Law, including the filing of financing statements in such U.S. jurisdictions as may be reasonably requested by the Administrative Agent or the Collateral Agent; *provided* that (x) no pledge of Excluded Equity Interests shall be required and (y) no perfection actions by “control” (except with respect to Equity Interests and certain debt instruments) shall be required to be taken. For the avoidance of doubt, the Credit Parties shall be under no obligation to deliver any leasehold mortgages, landlord waivers or collateral access agreements.

(c) Upon the acquisition of any new Material Property:

(i) within fifteen (15) Business Days after such acquisition (as such period may be extended by the Administrative Agent in its sole discretion), the applicable Credit Party shall furnish to the Collateral Agent a description of such Material Property in detail reasonably satisfactory to the Collateral Agent; and

(ii) within ninety (90) days after such acquisition (as such period may be extended by the Administrative Agent in its sole discretion), the applicable Credit Party shall grant to the Collateral Agent a security interest in such Material Property and deliver a mortgage, deed of trust or deed to secure debt in a form reasonably satisfactory to the Collateral Agent (a “**Mortgage**”) as additional security for the Obligations (which, if reasonably requested by the Administrative Agent, shall be accompanied by a customary legal opinion) and deliver to the Administrative Agent, a completed “Life-of-Loan” Federal Emergency Management Agency standard flood hazard determination, together with a notice executed by such Credit Party about special flood hazard area status, if applicable, in respect of such Mortgage.

Section 5.11 Security Interests; Further Assurances. Subject to the terms of the Security Documents, Section 5.10 and Section 5.15, promptly, upon the reasonable request of the Administrative Agent or the Collateral Agent (i) correct any material defect or error that may be discovered in the execution, acknowledgment, filing or recordation of any Security Document or other document or instrument relating to any Collateral, and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent or the Collateral Agent may reasonably request from time to time in order to carry out more effectively the purposes of this Agreement and the Security Document; *provided* that, notwithstanding anything else contained herein or in any other Loan Document to the contrary, (x) the foregoing shall not apply to any Excluded Subsidiary or Property of any Excluded Subsidiary or any Excluded Property or any Excluded Equity Interests, (y) any such documents and deliverables (other than certain mortgages of Material Property) shall be governed by New York law and (z) no other perfection actions by "control" (except with respect to Equity Interests and certain debt instruments), leasehold mortgages or landlord waivers, estoppels or collateral access agreements shall be required to be taken or entered into hereunder or under any other Loan Document. Notwithstanding the foregoing or anything else herein or in any other Loan Document to the contrary, in no event shall (A) the assets of any Excluded U.S. Subsidiary or Excluded Foreign Subsidiary (including the Equity Interests of any Subsidiary thereof) constitute security or secure, or such assets or the proceeds of such assets be required to be available for, payment of the Obligations, (B) more than sixty-five percent (65%) of the Voting Stock of any CFC Holding Company or Excluded Foreign Subsidiary, in each case, owned directly by a Credit Party required to be pledged to secure the Obligations or (C) any Equity Interests of any subsidiary owned by any Excluded Foreign Subsidiary or Excluded U.S. Subsidiary (or any Subsidiary of any Excluded Foreign Subsidiary or Excluded U.S. Subsidiary) be required to be pledged to secure the Obligations.

Section 5.12 [Reserved].

Section 5.13 Compliance with Law. Comply with the requirements of all Requirements of Law and all orders, writs, injunctions and decrees applicable to Holdings, Intermediate Holdings, the Borrower or any Restricted Subsidiary or to their business or property, except to the extent that the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

Section 5.14 Anti-Terrorism Law; Anti-Money Laundering; Foreign Corrupt Practices Act.

(a) Not directly or indirectly, (i) knowingly deal in, or otherwise knowingly engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or any other Anti-Terrorism Law in violation of any applicable Anti-Terrorism Law or applicable Sanctions, or (ii) knowingly engage in or conspire to engage in any transaction that violates or attempts to violate, any of the material prohibitions set forth in any applicable Anti-Terrorism Law or applicable Sanctions;

(b) (i) Not repay the Loans, or make any other payment to any Lender, using funds or properties of Holdings, Intermediate Holdings, the Borrower or any Subsidiaries that are, to the knowledge of the Borrower, the property of any Person that is the subject or target of applicable Sanctions or that are, to the knowledge of the Borrower, fifty percent or more beneficially owned, directly or indirectly, by any Person that is the subject or target of applicable Sanctions, in each case, in violation of applicable Anti-Terrorism Laws or applicable Sanctions or (ii) to the knowledge of Borrower, permit any Person that is the subject of applicable Sanctions to have any direct or indirect interest, in Holdings, Intermediate Holdings, Borrower or any of the Subsidiaries, with the result that the investment in Holdings, Intermediate Holdings, Borrower or any of the Subsidiaries (whether directly or indirectly) or the Loans made by the Lenders would be in violation of any applicable Sanctions.

(c) Each Credit Party and its Restricted Subsidiaries will maintain in effect and enforce policies and procedures that are reasonably designed to ensure compliance by the Credit Parties, their subsidiaries and each of their respective directors, officers, employees and agents with the Foreign Corrupt Practices Act of 1977, as amended.

(d) To the extent applicable, each Credit Party and its Restricted Subsidiaries will comply with (i) the laws, regulations, Sanctions and executive orders administered by OFAC, (ii) all Anti-Terrorism Laws, (iii) the Foreign Corrupt Practices Act of 1977, as amended and (iv) the Patriot Act. No Credit Party nor any of their respective Restricted Subsidiaries will engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the foregoing, or any similar Requirements of Law.

#### Section 5.15 Post-Closing Deliveries.

(a) The Borrower hereby agrees to deliver, or cause to be delivered, to the Administrative Agent, in form and substance reasonably satisfactory to the Administrative Agent, the items described on Schedule 5.15 hereof on or before the dates specified with respect to such items, or such later dates as may be agreed to by, or as may be waived by, the Administrative Agent in its sole discretion.

(b) All representations and warranties contained in this Agreement and the other Loan Documents shall be deemed modified to the extent necessary to effect the foregoing (and to permit the taking of the actions described above within the time periods required above and in Schedule 5.15, rather than as elsewhere provided in the Loan Documents); *provided* that (x) to the extent any representation and warranty would not be true because the foregoing actions were not taken on the Closing Date or, following the Closing Date, prior to the date by which action is required to be taken by Section 5.15(a), the respective representation and warranty shall be required to be true and correct in all material respects at the time the respective action is taken (or was required to be taken) in accordance with the foregoing provisions of this Section 5.15 (and Schedule 5.15) and (y) all representations and warranties relating to the assets set forth on Schedule 5.15 pursuant to the Security Documents shall be required to be true in all material respects immediately after the actions required to be taken under this Section 5.15 (and Schedule 5.15) have been taken (or were required to be taken), except to the extent any such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date.



**ARTICLE VI**  
**NEGATIVE COVENANTS**

Each of the Credit Parties warrants, covenants and agrees with each Lender that at all times after the Closing Date, so long as this Agreement shall remain in effect and until the Obligations have been Paid in Full and the Commitments have been terminated, none of the Credit Parties will, nor will permit any of its Restricted Subsidiaries to (it being understood that for purposes of this Article VI (other than Sections 6.06, 6.10, 6.11 and 6.13), "Credit Parties" and "Group Members" shall exclude Holdings and Intermediate Holdings):

Section 6.01 Indebtedness. Incur, create, assume or permit to exist, directly or indirectly, any Indebtedness, except:

(a) Indebtedness incurred under this Agreement and the other Loan Documents (including Indebtedness incurred pursuant to Section 2.20, Section 2.21 and Section 2.22 hereof), and, in each case, any Permitted Refinancing thereof;

(b) (x) Indebtedness in existence on the Closing Date and set forth on Schedule 6.01(b) ("**Permitted Surviving Indebtedness**") and (y) Permitted Refinancings thereof;

(c) [reserved];

(d) Indebtedness under Hedging Obligations with respect to interest rates, foreign currency exchange rates or commodity prices not entered into for speculative purposes;

(e) Indebtedness in respect of Purchase Money Obligations, Capital Lease Obligations, Indebtedness incurred in connection with Sale Leaseback Transactions and Indebtedness incurred in connection with financing any Real Property (regardless of when such Real Property was initially acquired), and any Permitted Refinancings of any of the foregoing, in an aggregate amount for all such Indebtedness under this clause (e) not to exceed, at any time outstanding, the greater of \$6,750,000 and 12.5% of Consolidated EBITDA for the most recently ended Test Period, plus on or after June 30, 2021, any additional amount so long as, as of the Applicable Date of Determination and for the applicable Test Period, the Total Leverage Ratio does not exceed 5.00 to 1.00;

(f) Indebtedness in respect of (x) appeal bonds or similar instruments and (y) payment, bid, performance or surety bonds, or other similar bonds, completion guarantees, or similar instruments, workers' compensation claims, health, disability or other employee benefits, self-insurance obligations, letters of credit, and bankers acceptances issued for the account of any Group Member, in each case listed under this clause (y), in the ordinary course of business, and including guarantees or obligations of any Group Member with respect to letters of credit supporting such appeal, payment, bid, performance or surety or other similar bonds, completion guarantees, or similar instruments, workers' compensation claims, health, disability or other employee benefits, self-insurance obligations and bankers acceptances (in each case other than for an obligation for money borrowed);

(g) (i) Contingent Obligations in respect of Indebtedness otherwise permitted to be incurred by such Group Member under this Section 6.01 (provided that (x) the foregoing shall not permit a Group Member to guarantee Indebtedness that it could not otherwise incur under this Section 6.01 and (y) if any such Indebtedness is subordinated (including as to lien or collateral priority) to the Obligations, such Contingent Obligation shall be subordinated on terms at least as favorable to the Lenders) and (ii) Indebtedness constituting Investments permitted under Section 6.03 (other than Section 6.03(n));

(h) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business; *provided, however*, that such Indebtedness is extinguished within five (5) Business Days of incurrence;

(i) Indebtedness arising in connection with the endorsement of instruments for deposit in the ordinary course of business;

(j) Indebtedness in respect of netting services or overdraft protection or otherwise in connection with deposit or securities accounts in the ordinary course of business;

(k) Indebtedness consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply arrangements, in each case, in the ordinary course of business;

(l) unsecured Indebtedness of Holdings to its Subsidiaries at such times and in such amounts necessary to permit Holdings to receive any Dividend permitted to be made to Holdings pursuant to Section 6.06, so long as, as of the Applicable Date of Determination, a Dividend for such purposes would otherwise be permitted to be made pursuant to Section 6.06; *provided* that any such Indebtedness shall be deemed to utilize on a dollar-for-dollar basis (but without duplication of any corresponding dollar-for-dollar reduction pursuant to Section 6.03(q)) the relevant basket under Section 6.06;

(m) subject to Section 6.03(f), intercompany Indebtedness owing (i) by and among the Credit Parties, (ii) by Restricted Subsidiaries that are not Credit Parties to Restricted Subsidiaries that are not Credit Parties, (iii) by Restricted Subsidiaries that are not Credit Parties to Credit Parties; *provided* that outstanding Indebtedness under this clause (m)(iii) (together (but without duplication) with Investments made pursuant to Section 6.03(f)(iii)) shall not exceed, at any time, the sum of (x) the greater of \$13,500,000 and 25% of Consolidated EBITDA at any time plus (y) the Cumulative Amount at any time outstanding (as long as (i) to the extent any such Indebtedness is incurred with respect to an Investment made in reliance on clause (a) or (b) of the definition of "Cumulative Amount", no Event of Default under Section 8.01(a), (b), (g) or (h) (in the case of (g) or (h) with respect to the Borrower), or (ii) in all other cases, no Event of Default shall have occurred and be continuing immediately prior and after giving effect to such incurrence of Indebtedness), and (iv) by Credit Parties to Subsidiaries that are not Credit Parties; *provided* that Indebtedness under this clause (m)(iv) shall be subordinated to the Obligations pursuant to subordination terms reasonably acceptable to the Administrative Agent;

(n) unsecured Indebtedness owing to employees, former employees, officers, former officers, directors, former directors (or any spouses, ex-spouses, or estates of any of the foregoing) of any Group Member in connection with the repurchase of Equity Interests of Holdings or any of its direct or indirect parent companies issued to any of the aforementioned employees, former employees, officers, former officers, directors, former directors (or any spouses, ex-spouses, or estates of any of the foregoing) of any Group Member not to exceed, together with Investments made pursuant to Section 6.03(e), \$13,500,000 at any time outstanding; *provided* that (i) no more than \$4,500,000 of such Indebtedness may rank *pari passu* with the Obligations and (ii) the remainder of such Indebtedness must consist of Subordinated Indebtedness;

(o) Indebtedness arising as a direct result of judgments, orders, awards or decrees against Holdings or any Restricted Subsidiaries, in each case not constituting an Event of Default;

(p) unsecured Indebtedness representing any Taxes to the extent such Taxes are being contested by any Group Member in good faith by appropriate proceedings and adequate reserves are being maintained by the Group Members in accordance with GAAP;

(q) Indebtedness (i) assumed in connection with any Permitted Acquisition or other Investment; *provided* that such Indebtedness was not incurred in contemplation of such Permitted Acquisition or other Investment or (ii) incurred to finance a Permitted Acquisition or other Investment; *provided* that in the case of this clause (ii), (A) on a Pro Forma Basis after giving effect to the incurrence of such Indebtedness and the application of the proceeds therefrom (including pursuant to such Permitted Acquisition or other Investment consummated in connection therewith or the repayment or prepayment of any Indebtedness with the proceeds thereof), and any disposition, incurrence of Indebtedness, or other appropriate pro forma adjustment in connection therewith (but without, for the avoidance of doubt, giving effect to any amounts incurred in connection therewith under the Fixed Incremental Amount (but, otherwise excluding the cash proceeds of any such indebtedness from cash and Cash Equivalents)), (x) the aggregate principal amount of such Indebtedness shall not exceed the greater of \$9,000,000 and 20% of Consolidated EBITDA or (y) as of the Applicable Date of Determination and for the applicable Test Period, on a Pro Forma Basis (but without giving effect to any amounts incurred in connection herewith under the Fixed Incremental Amount) if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio does not exceed 1.75 to 1.00, or (ii) after June 30, 2021, the Total Leverage Ratio (calculated on a Pro Forma Basis) shall not exceed 6.50 to 1.00; and (B) such Indebtedness complies with the Required Debt Terms; *provided* that the maximum aggregate principal amount of Indebtedness that may be incurred pursuant to this clause (q) by Restricted Subsidiaries that are not Credit Parties shall not exceed the greater of \$13,500,000 and 25% of Consolidated EBITDA; *provided, further*, that if such Indebtedness pursuant to clause (ii) above is secured on a *pari passu* basis with the Secured Obligations, such Indebtedness shall be subject to the provisions of Section 2.20(f) as though such Indebtedness were incurred as Incremental Term Loans;

(r) [reserved];

(s) Indebtedness of Restricted Subsidiaries that are not Credit Parties (but only to the extent non-recourse to the Credit Parties), and any guarantees thereof by Restricted Subsidiaries that are not Credit Parties, in aggregate principal amount not to exceed the sum of (i) the greater of \$9,000,000 and 20% of Consolidated EBITDA for the most recently ended Test Period at any time outstanding, plus (ii) an unlimited additional amount provided that on a Pro Forma Basis as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio (calculated on a Pro Forma Basis) does not exceed 1.75 to 1.00, or (ii) after June 30, 2021, the Total Leverage Ratio (calculated on a Pro Forma Basis) does not exceed 5.25 to 1.00;

(t) Unsecured Junior Indebtedness, subject to compliance with the Required Debt Terms; *provided* that immediately after giving effect to each such incurrence and the application of the proceeds therefrom, on a Pro Forma Basis (but without giving effect to any amounts incurred in connection herewith under the Fixed Incremental Amount) as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio does not exceed 1.25 to 1.00, or (ii) after June 30, 2021, the Total Leverage Ratio does not exceed 7.00 to 1.00; *provided further* that the aggregate principal amount of Indebtedness incurred pursuant to this clause (t) by Restricted Subsidiaries that are not Credit Parties (taken together with any Indebtedness of Restricted Subsidiaries that are not Credit Parties pursuant to Section 6.01(u) and 6.01(v)) shall not exceed the greater of \$6,750,000 and 20% of Consolidated EBITDA for the most recently ended Test Period at any time outstanding;

(u) Senior Unsecured Indebtedness; *provided* that immediately after giving effect to each such incurrence and the application of the proceeds therefrom, on a Pro Forma Basis as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio does not exceed 1.25 to 1.00, or (ii) after June 30, 2021, the Total Leverage Ratio does not exceed 7.00 to 1.00; *provided further* that the aggregate principal amount of Indebtedness incurred pursuant to this clause (u) by Restricted Subsidiaries that are not Credit Parties (taken together with any Indebtedness of Restricted Subsidiaries that are not Credit Parties pursuant to Section 6.01(t) and 6.01(v)) shall not exceed the greater of \$6,750,000 and 20% of Consolidated EBITDA for the most recently ended Test Period at any time outstanding;

(v) Junior Secured Indebtedness, subject to compliance with the Required Debt Terms; *provided* that immediately after giving effect to each such incurrence and the application of the proceeds therefrom, on a Pro Forma Basis (but without giving effect to any amounts incurred in connection herewith under the Fixed Incremental Amount) as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio does not exceed 1.25 to 1.00, or (ii) after June 30, 2021, the Total Leverage Ratio does not exceed 7.00 to 1.00; *provided further* that the aggregate principal amount of Indebtedness incurred pursuant to this clause (t) by Restricted Subsidiaries that are not Credit Parties (taken together with any Indebtedness of Restricted Subsidiaries that are not Credit Parties pursuant to Section 6.01(t) and 6.01(u)) shall not exceed the greater of \$6,750,000 and 20% of Consolidated EBITDA for the most recently ended Test Period at any time outstanding;

(w) unsecured Indebtedness in the amount of the aggregate cash equity contributions (excluding in respect of Disqualified Capital Stock) made to the Borrower by Holdings or any direct or indirect parent thereof after the Closing Date to the extent Not Otherwise Applied and not an Equity Cure Contribution;

(x) additional Indebtedness of the Borrower and the Restricted Subsidiaries; *provided* that, immediately after giving effect to any of incurrence of Indebtedness under this clause (x), the sum of the aggregate principal amount of Indebtedness outstanding under this clause (x) shall not exceed the greater of \$13,500,000 and 25% of Consolidated EBITDA for the most recently ended Test Period at such time;

(y) Indebtedness in respect of any documentary letter of credit or similar instrument not to exceed the face amount of such documentary letter of credit or similar instrument;

(z) to the extent constituting any Indebtedness, any contingent liabilities arising in connection with any stock options;

(aa) [reserved];

(bb) unsecured Indebtedness (i) incurred in a Permitted Acquisition, any other Investment or any Asset Sale, in each case to the extent constituting indemnification obligations or obligations in respect of purchase price (including Earn-Outs and any other contingent consideration obligations or deferred purchase price obligations) or other similar adjustments, or (ii) in an aggregate principal amount not to exceed the greater of \$18,000,000 and 30% of Consolidated EBITDA for the most recently ended Test Period outstanding at any time to the seller of any business or assets permitted to be acquired by Holdings or any Restricted Subsidiary hereunder;

(cc) Indebtedness under Cash Management Agreements and other Indebtedness in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements, in each case, incurred in the ordinary course of business;

(dd) Indebtedness representing deferred compensation or other similar arrangements incurred in the ordinary course of business or in connection with a Permitted Acquisition or a similar permitted Investment;

(ee) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (a) through (dd) above; and

(ff) standby letters of credit issued by a third-party issuing bank for the account of the Borrower or any Restricted Subsidiary thereof in an aggregate amount not to exceed \$5,000,000 at any time outstanding.

The accrual of interest, the accretion of accreted value and the payment of interest in the form of additional Indebtedness shall not be deemed to be an incurrence of Indebtedness for purposes of this Section 6.01.

Section 6.02 Liens. Create, incur, assume or permit to exist, directly or indirectly, any Lien on any property now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except the following (collectively, the "**Permitted Liens**"):

(a) Liens for Taxes not yet due and payable or delinquent and Liens for Taxes that are being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP;

(b) Liens in respect of property of any Group Member imposed by Requirements of Law, (i) which were incurred in the ordinary course of business and do not secure Indebtedness for borrowed money, such as carriers', warehousemen's, materialmen's, landlords', workmen's, suppliers', repairmen's and mechanics' Liens and other similar Liens arising in the ordinary course of business or otherwise pertaining to Indebtedness permitted under Section 6.01(f) and (h) which do not in the aggregate materially detract from the value of the property of the Group Members, taken as a whole, and do not materially impair the use thereof in the operation of the business of the Group Members, taken as a whole, and which, if they secure obligations that are then more than thirty days overdue and unpaid, are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP, or (ii) arising mandatorily by Requirements of Law on the assets of any Foreign Subsidiary;

(c) any Lien in existence on the Closing Date and set forth on Schedule 6.02(c) and any Lien granted as a replacement or substitute therefor; *provided* that any such replacement or substitute Lien (i) except as permitted by Section 6.01(b) does not secure an aggregate amount of Indebtedness, if any, greater than that secured on the Closing Date (excluding the amount of any premiums or penalties and accrued and unpaid interest paid thereon, in each case, with such renewal, replacement, exchange, refinancing or extension and the amount of reasonable fees and expenses incurred by any Group Member in connection therewith) and (ii) does not encumber any property in a material manner other than the property subject thereto on the Closing Date and any proceeds therefrom (any such Lien, an "**Existing Lien**");

(d) easements, rights-of-way, restrictions (including zoning restrictions), covenants, conditions, licenses, encroachments, protrusions and other similar charges or encumbrances, and title deficiencies on or other irregularities with respect to any Real Property, in each case whether now or hereafter in existence, not (i) securing Indebtedness or (ii) individually or in the aggregate materially interfering with the ordinary conduct of the business and operations of the Group Members at such Real Property and the value, use and occupancy thereof;

(e) Liens to the extent arising out of judgments, orders, attachments, decrees or awards not resulting in an Event of Default;

(f) Liens (x) imposed by Requirements of Law or deposits made in connection therewith in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security legislation, (y) incurred to secure the performance of appeal bonds or incurred in the ordinary course of business to secure the performance of tenders, statutory obligations (other than excise taxes), surety, stay, customs bonds, statutory bonds, bids, leases (including deposits with respect thereto), government contracts, trade contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money) or (z) arising by virtue of deposits made in the ordinary course of business to secure liability for premiums to insurance carriers; *provided* that

(i) with respect to subclauses (x), (y) and (z) of this clause (f), such Liens are for amounts not yet due and payable or delinquent or, to the extent such amounts are so due and payable, such amounts are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP, which proceedings or orders entered in connection with such proceedings have the effect of preventing the forfeiture or sale of the property subject to any such Lien and (ii) to the extent such Liens are not imposed by Requirements of Law, such Liens shall in no event encumber any property other than cash and cash equivalents (including Cash Equivalents);

(g) Leases, subleases, licenses and sublicenses of any Property (other than Intellectual Property which is subject to Section 6.02(o)) of any Group Member granted by such Group Member to third parties, in each case entered into in the ordinary course of such Group Member's business;

(h) any interest or title of a lessor, sublessor, licensor, sublicensor, licensee or sublicensee under any lease, sublease, license or sublicense not prohibited by this Agreement or the other Security Documents;

(i) Liens which may arise as a result of municipal and zoning codes and ordinances, building and other land use laws imposed by any Governmental Authority which are not violated in any material respect by existing improvements or the present use or occupancy of any real property, or in the case of any Material Property subject to a Mortgage, encumbrances disclosed in the title insurance policy issued to, and reasonably approved by, the Administrative Agent;

(j) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by any Group Member in the ordinary course of business in accordance with the past practices of such Group Member;

(k) Liens securing Indebtedness incurred pursuant to Section 6.01(e); *provided* that any such Liens attach only to the property being financed pursuant to such Indebtedness and do not encumber any other property of any Group Member;

(l) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and Cash Equivalents on deposit in one or more accounts maintained by any Group Member, in each case granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements; *provided* that, unless such Liens are non-consensual and arise by operation of law, in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(m) Liens on property or assets of a person existing at the time such person or asset is acquired or merged with or into or consolidated with any Group Member to the extent not prohibited hereunder (and not created in anticipation or contemplation thereof); *provided* that such Liens do not extend to property not subject to such Liens at the time of acquisition (other than improvements thereon or pursuant to an after-acquired property clause in the applicable security documents), are no more favorable (as reasonably determined by the Borrower) to the lienholders than such existing Lien and secure Indebtedness permitted hereunder;

(n) (i) Liens granted pursuant to the Security Documents to secure the Secured Obligations (including Indebtedness incurred pursuant to Section 2.20, Section 2.21 and Section 2.22 hereof) and (ii) any Liens securing Permitted Pari Passu Refinancing Debt and Permitted Junior Refinancing Debt; *provided*, in each case, that such Liens are subject to any subordination or intercreditor requirements set forth in the applicable definitions referenced above in this Section 6.02(n);

(o) licenses and sublicenses of Intellectual Property granted by any Group Member in the ordinary course of business or not interfering in any material respect with the ordinary conduct of business of the Group Members;

(p) the filing of UCC (or equivalent) financing statements solely as a precautionary measure in connection with operating leases or consignment of goods;

(q) Liens securing Indebtedness incurred pursuant to Section 6.01(s); *provided* that (i) such Liens do not extend to, or encumber, property which constitutes Collateral and (ii) such Liens do not extend to the property (or Equity Interests) of any Credit Party;

(r) Liens securing reimbursement obligations in respect of documentary letters of credit or bankers' acceptances issued pursuant to Section 6.01(y); *provided* that such Liens attach only to the documents and goods covered thereby and proceeds thereof;

(s) Liens attaching solely to cash earnest money deposits in connection with an Investment permitted by Section 6.03

(t) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the UCC in effect in the relevant jurisdiction covering only the items being collected upon;

(u) Liens granted by a Restricted Subsidiary (i) that is not a Credit Party in favor of any other Restricted Subsidiary in respect of Indebtedness or other obligations owed by such Restricted Subsidiary to such other Restricted Subsidiary and permitted hereby or (ii) in favor of any Credit Party;

(v) Liens on insurance policies and the proceeds thereof granted in the ordinary course of business to secure the financing of insurance premiums with respect thereto permitted under Section 6.01(k);

(w) Liens (i) incurred in the ordinary course of business in connection with the purchase or shipping of goods or assets (or the related assets and proceeds thereof), which Liens are in favor of the seller or shipper of such goods or assets and only attach to such goods or assets, and (ii) in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;



(x) Liens of any Group Member with respect to Indebtedness and other obligations that do not in the aggregate exceed the greater of \$13,500,000 and 25% of Consolidated EBITDA for the most recently ended Test Period at any time;

(y) Liens on assets or property of Restricted Subsidiaries that are not Credit Parties securing Indebtedness and other obligations of such Restricted Subsidiary that is not a Credit Party permitted to be incurred pursuant to Section 6.01;

(z) Liens securing Indebtedness incurred pursuant to Section 6.01(m) (*provided* that, with respect to Indebtedness incurred pursuant clause (iv) thereof, any such Lien shall be subordinated to the Obligations pursuant to subordination terms reasonably acceptable to the Administrative Agent), to the extent permitted by Section 6.01(m) to be secured;

(aa) Liens securing Indebtedness incurred pursuant to Section 6.01(q) (so long as, in the case of clause (q)(i), such Liens secure only the same assets (and any after acquired assets pursuant to any after-acquired property clause in the applicable security documents) and the same Indebtedness that such Liens secured, immediately prior to the assumption of such Indebtedness, and so long as such Liens were not created in contemplation of such assumption);

(bb) Liens on cash advances in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 6.03 to be applied against the purchase price for such Investment;

(cc) Liens on Equity Interests (i) deemed to exist in connection with any options, put and call arrangements, rights of first refusal and similar rights relating to Investments in Persons that are not Restricted Subsidiaries of Holdings or (ii) of any joint venture or similar arrangement pursuant to any joint venture or similar arrangement;

(dd) restrictions on dispositions of assets to be disposed of pursuant to merger agreements, stock or asset purchase agreements and similar agreements, in each case, solely to the extent such disposition would be permitted pursuant to the terms hereof;

(ee) Liens securing Indebtedness permitted to be incurred pursuant to Section 6.01 (v); and

(ff) Liens securing standby letters of credit permitted pursuant to Section 6.01(ff), provided, that such Liens extend only to cash collateral provided to any applicable third-party issuing banks and only in amounts reasonably necessary to induce such issuing bank to issue the applicable letters of credit on behalf of the Borrower or its Restricted Subsidiaries.

Section 6.03 Investments, Loans and Advances. Directly or indirectly, lend money or credit (by way of guarantee or otherwise) or make advances to any person, or purchase or acquire any Equity Interests, bonds, notes, debentures, guarantees or other securities of, or make any capital contribution to, or acquire assets constituting all or substantially all of the assets of, or acquire assets constituting a line of business, business unit or division of, any other person (all of the foregoing, collectively, "**Investments**"), except that the following shall be permitted:

(a) the Group Members may consummate the Transactions in accordance with the provisions of the Transaction Documents;

(b) (i) Investments outstanding, contemplated or made pursuant to binding commitments in effect on the Closing Date and identified on Schedule 6.03(b) and (ii) Investments consisting of any modification, replacement, renewal, reinvestment or extension of any Investment described in clause (i) above; *provided* that the amount of any Investment permitted pursuant to this clause (ii) is not increased from the amount of such Investment on the Closing Date except pursuant to the terms of such Investment as of the Closing Date or as otherwise permitted by this Section 6.03;

(c) the Group Members may (i) acquire and hold accounts receivable owing to any of them if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary terms, (ii) invest in, acquire and hold cash and cash equivalents (including Cash Equivalents), (iii) endorse negotiable instruments held for collection or deposit in the ordinary course of business or (iv) make lease, utility and other similar deposits in the ordinary course of business;

(d) Hedging Obligations permitted by Section 6.01(d);

(e) loans and advances (x) to directors, employees and officers of any Group Member in the ordinary course of business, or otherwise for *bona fide* business purposes and (y) to directors, employees and officers of any Group Member (whether or not currently serving as such) to purchase Equity Interests of Holdings or any of its direct or indirect parent companies (*provided* that, in the case of this clause (y), any such amount loaned or advanced is simultaneously used to purchase such Equity Interests); *provided*, that to the extent paid in cash, such loans and advances made pursuant to clauses (x) and (y) (together with Indebtedness incurred pursuant to Section 6.01(n)) shall not exceed in the aggregate, at any time outstanding, \$13,500,000;

(f) Investments (i) by any Group Member in a Credit Party, (ii) by any Group Member that is not a Credit Party in any other Group Member and (iii) by any Credit Party in any Restricted Subsidiary that is not a Subsidiary Guarantor; *provided* that Investments under this clause (f) (iii) (together (without duplication) with outstanding intercompany Indebtedness outstanding under Section 6.01(m)(iii)) by the Borrower or a Subsidiary Guarantor in any other Subsidiary that is not a Subsidiary Guarantor shall not exceed, at any time outstanding, the sum of (x) the greater of \$13,500,000 and 25% of Consolidated EBITDA plus (y) the Cumulative Amount at any time so long as (i) to the extent any such Investment is made in reliance on clause (a) or (b) of the definition of "Cumulative Amount", no Event of Default under Section 8.01(a), (b), (g) or (h) (in the case of (g) or (h) with respect to the Borrower), or (ii) in all other cases, no Event of Default shall have occurred and be continuing immediately prior and after giving effect to such Investment;

(g) Investments in securities or other assets of trade creditors or customers in the ordinary course of business received in settlement of *bona fide* disputes or upon foreclosure or pursuant to any plan of reorganization or liquidation or similar arrangement upon the bankruptcy or insolvency of such trade creditors or customers;

(h) Investments held by any Group Member as a result of consideration received in connection with an Asset Sale or other disposition made in compliance with Section 6.05 (other than Section 6.05(e));

(i) Permitted Acquisitions;

(j) pledges and deposits by any Group Member permitted under Section 6.02;

(k) any Group Member may make a loan that could otherwise be made as a distribution permitted under Section 6.06 (with a commensurate dollar-for-dollar reduction of their ability to make additional distributions under such Section);

(l) Investments consisting of earnest money deposits required in connection with a Permitted Acquisition or other permitted Investment;

(m) Investments of any Person existing at the time such Person becomes a Restricted Subsidiary or consolidates or merges with any Group Member (including in connection with a Permitted Acquisition) so long as such investments were not made in contemplation of such Person becoming a Restricted Subsidiary or of such consolidation or merger;

(n) Contingent Obligations and other Indebtedness permitted by Section 6.01, performance guarantees, and transactions permitted under Section 6.04;

(o) acquisitions of Term Loans by any Group Member pursuant to Section 10.04(b)(vii), and of any Credit Agreement Refinancing Indebtedness in respect thereof that is incurred on a *pari passu* basis with the Obligations, pursuant to the corresponding provisions of the documents governing such Indebtedness;

(p) Investments in deposit and investment accounts (including, for the avoidance of doubt, eurocurrency investment accounts) opened in the ordinary course of business with financial institutions;

(q) unsecured intercompany advances by any Group Member to Holdings for purposes and in amounts that would otherwise be permitted to be made as Dividends to Holdings pursuant to Section 6.06; *provided* that the principal amount of any such loans shall reduce dollar-for-dollar (but without duplication of any corresponding dollar-for-dollar reduction pursuant to Section 6.01(l)) and solely for as long as, and to the extent that, the Investment made using such re-allocated amount remains outstanding) the amounts that would otherwise be permitted to be paid for such purpose in the form of Dividends pursuant to such Section;

(r) Investments to the extent constituting the reinvestment of the Net Cash Proceeds arising from any Asset Sale or Casualty Events to repair, replace or restore any property in respect of which such Net Cash Proceeds were paid or to reinvest in other fixed or Capital Assets or assets that are otherwise used or useful in the business of the Group Members (including pursuant to a Permitted Acquisition, Investment or Capital Expenditure);

(s) on or after June 30, 2021, Investments in Unrestricted Subsidiaries in an aggregate amount not to exceed the greater of \$14,500,000 and 20% of Consolidated EBITDA for the most recently ended Test Period at any time outstanding;

(t) purchases and other acquisitions of inventory, materials, equipment, intangible property and other assets in the ordinary course of business;

(u) (i) leases and subleases of real or personal property in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of the Group Members and (ii) licenses and sublicenses of Intellectual Property otherwise permitted under Section 6.02 including loans and advances to licensees in connection therewith on an arm's length basis;

(v) Investments to the extent that payment for such Investments is made solely with cash contributions from the issuance of Equity Interests (other than Disqualified Capital Stock) of Holdings which are contributed as cash common equity to any Credit Party and are Not Otherwise Applied;

(w) Investments in joint ventures of any Group Member; *provided* that the aggregate amount of such Investments outstanding at any time under this clause (w) shall not exceed the greater of \$6,750,000 and 15% of Consolidated EBITDA for the most recently ended Test Period;

(x) so long as (i) to the extent any such Investment is made in reliance on clause (a) or (b) of the definition of "Cumulative Amount", no Event of Default under Section 8.01(a), (b), (g) or (h) (in the case of (g) or (h) with respect to the Borrowers), or (ii) in all other cases, no Event of Default, shall have occurred and be continuing at the time of the making of such Investment or would immediately result therefrom, Investments in an aggregate amount not to exceed the Cumulative Amount *provided* that any Limited Condition Transaction remains subject to the terms of Section 1.06 hereof;

(y) other Investments in an aggregate amount at any time not to exceed the greater of (i) \$13,500,000 and (ii) 25% of Consolidated EBITDA for the most recently ended Test Period at any time outstanding, *plus* the aggregate total of all other amounts available as a Restricted Debt Payment under Section 6.09(a)(I), *plus* the aggregate total of all other amounts available as a Dividend under Section 6.06(j), which the Borrower may, from time to time, elect to re-allocate to the making of Investments pursuant to this Section 6.03(y) (which re-allocation will reduce the amount available thereunder on a dollar for dollar basis for so long as, and to the extent that, the Investment made using such re-allocated amount remains outstanding);

(z) to the extent constituting Investments, advances in respect of transfer pricing and cost-sharing arrangements (*i.e.*, "cost-plus" arrangements) that are (A) in the ordinary course of business and consistent with the Group Members' historical practices and (B) funded not more than 120 days in advance of the applicable transfer pricing and cost-sharing payment;

(aa) advances of payroll payments to employees in the ordinary course of business;

(bb) unlimited additional Investments; *provided* that (i) at the time of making such Investment, (A) if such Investment is made as or in connection with a Limited Condition Transaction, no Event of Default under Section 8.01(a), (b), (g) or (h), or (B) in each other case, no Event of Default shall have occurred and be continuing or would immediately result therefrom and (ii) as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio, calculated on a Pro Forma Basis, shall not exceed 1.50 to 1.00, or (ii) after June 30, 2021, the Total Leverage Ratio, calculated on a Pro Forma Basis, shall not exceed 6.50 to 1.00; *provided further* that any Limited Condition Transaction remains subject to the terms of Section 1.06 hereof;

(cc) Investments in the ordinary course of business (x) consisting of customary trade arrangements with customers consistent with past practices and (y) in connection with obtaining, maintaining or renewing client contracts and loans or advances made to distributors;

(dd) Investments in similar businesses in an aggregate amount outstanding at any time not to exceed the greater of \$18,000,000 and 25% of Consolidated EBITDA for the applicable Test Period; *provided* that at the time of making such Investment, (A) if such Investment is made as or in connection with a Limited Condition Transaction, (x) no Event of Default under Section 8.01(a), (b), (d) (with respect to the failure to comply with Section 6.08), (g), (h) or (m) (solely with respect to the failure to comply with the financial reporting requirements set forth in Section 5.01(a) or (b)) and (y) after June 30, 2021, no Event of Default under Section 8.01(a), (b), (g) or (h) or (B) in each other case, no Default or Event of Default shall have occurred and be continuing or would immediately result therefrom; *provided further* that any Limited Condition Transaction remains subject to the terms of Section 1.06 hereof;

(ee) Investments resulting from the exercise of drag-along rights, put-rights, call-rights or similar rights under joint venture or similar documents; and

(ff) reorganizations and other activities related to tax planning; *provided* that, in the reasonable business judgment of the Borrower, after giving effect to any such reorganizations and activities, there is no material adverse impact on the value of the (A) Collateral (taken as a whole) granted to the Collateral Agent for the benefit of the Lenders or (B) Guarantees in favor of the Lenders.

The amount of any Investment shall be the initial amount of such Investment less all returns of principal, capital, Dividends and other cash returns therefrom (including, without limitation, any repayments, interest, returns, profits, distributions, income or similar amounts received in cash in respect of any Investment in any Unrestricted Subsidiary and the designation thereof) and less all liabilities expressly assumed by another person in connection with the sale of such Investment.

Section 6.04 Mergers and Consolidations. Wind up, liquidate or dissolve its affairs or consummate a merger or consolidation, except that the following shall be permitted:

(a) Asset Sales or other dispositions in compliance with Section 6.05 (other than clause (d) thereof);

(b) Investments permitted pursuant to Section 6.03 (other than clause (n) thereof);

(c) (x) any Group Member (other than Holdings or Intermediate Holdings) may merge or consolidate with or into the Borrower or any Subsidiary Guarantor (as long as the Borrower is the surviving person in the case of any merger or consolidation involving the Borrower, and such Subsidiary Guarantor is the surviving person in the case of any merger or consolidation involving such Subsidiary Guarantor (other than mergers or consolidations involving the Borrower)) and (y) any Restricted Subsidiary (other than the Borrower) that is not a Guarantor may merge or consolidate with or into any other Restricted Subsidiary that is not a Guarantor;

(d) a merger or consolidation pursuant to, and in accordance with, the definition of "Permitted Acquisition" to the extent necessary to consummate such Permitted Acquisition;

(e) any Restricted Subsidiary (subject to clause (f) below in the case of the Borrower) may dissolve, liquidate or wind up its affairs at any time; *provided* that such dissolution, liquidation or winding up, as applicable, would not reasonably be expected to have a Material Adverse Effect;

(f) the Borrower may merge or consolidate with another Borrower or any Borrower (other than IAS) may dissolve, liquidate or wind up its affairs; *provided* that if IAS is not the surviving person of any such merger or consolidation to which IAS is a party, the surviving person of such merger or consolidation shall assume all of IAS' rights and obligations hereunder and under the other Loan Documents in its role as the Borrower; *provided, further,* that any such dissolution, liquidation or winding up, as applicable, would not reasonably be expected to have a Material Adverse Effect; and

(g) the Closing Date Acquisition.

Section 6.05 Asset Sales. Sell, lease, assign, transfer or otherwise dispose of any property, except that the following shall be permitted:

(a) (x) sales, transfers, leases, subleases and other dispositions of inventory in the ordinary course of business, property no longer used or useful in the business or worn out, obsolete, uneconomical, negligible or surplus property by any Group Member in the ordinary course of business, (y) the abandonment, allowance to lapse or other disposition of Intellectual Property that is, in the reasonable business judgment of the Borrower, immaterial or no longer economically practicable to maintain or (z) sales, transfers, leases, subleases and other dispositions of property by any Group Member (including Intellectual Property) that is, in the reasonable business judgment of the Borrower, immaterial or no longer used or useful in the business;

(b) any sale, lease, assignment, transfer or disposition *provided* that (i) such sale, lease, assignment, transfer or disposition shall be for fair market value (as determined by the Borrower in good faith), and (ii) with respect to any aggregate consideration received in respect thereof in excess of \$3,750,000, at least 75% of the purchase price for all property subject to such sale, lease, assignment, transfer or disposition shall be paid in cash or Cash Equivalents (with assumed liabilities treated as cash and other Designated Noncash Consideration treated as cash so long as the total Designated Noncash Consideration outstanding at any time does not exceed the greater of \$4,500,000 and 12.5% of Consolidated EBITDA for the most recently ended Test Period in the aggregate;

(c) (x) leases, assignments and subleases of real or personal property in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of the Group Members and (y) licenses and sublicenses of Intellectual Property otherwise permitted under Section 6.02;

(d) transactions in compliance with Section 6.04 (other than Section 6.04(a));

(e) Investments in compliance with Section 6.03, Liens in compliance with Section 6.02, Dividends in compliance with Section 6.06 and Restricted Debt Payments in compliance with Section 6.09;

(f) sales of any non-core assets (i) acquired in connection with any Permitted Acquisitions or other Investments in compliance with Section 6.03 or (ii) to obtain the approval of an anti-trust authority or required to comply with any order of any other agency, authority or regulatory body or Requirements of Law (including, in each case, in connection with a Permitted Acquisition or other permitted Investment);

(g) sales, discounts, disposals or forgiveness of customer delinquent notes or accounts receivable (including, in all events, the disposition of delinquent accounts receivable pursuant to any factoring arrangement) in the ordinary course of business in connection with settlement, collection or compromise thereof;

(h) use of cash and disposition of Cash Equivalents in the ordinary course of business;

(i) sales, transfers, leases and other dispositions of property to the extent required by any Governmental Authority or otherwise required by any Requirements of Law;

(j) sales, transfers, leases and other dispositions (i) to the Borrower or to any other Credit Party, (ii) to any Restricted Subsidiary that is not a Credit Party from another Restricted Subsidiary that is not a Credit Party, or (iii) to any of the Restricted Subsidiaries that are not Credit Parties from a Credit Party, so long as, in the case of this clause (iii), if the consideration received from a Restricted Subsidiary that is not a Credit Party by a Credit Party is not below fair market value, such sale, transfer lease or other disposition does not have a material adverse impact on the value of the (y) Collateral (taken as a whole) granted to the Collateral Agent for the benefit of the Secured Parties or (z) Guarantees in favor of the Secured Parties;

(k) sales, transfers, leases and other dispositions of accounts receivable in connection with the compromise, settlement or collection thereof in the ordinary course of business;

(l) sales, transfers, leases and other dispositions of property to the extent that such property constitutes an Investment permitted by Section 6.03(h) or another asset received as consideration for the disposition of any asset permitted by this Section 6.05;

(m) sales or disposition of immaterial Equity Interests to qualify directors where required by applicable Requirements of Law or to satisfy other similar Requirements of Law with respect to the ownership of Equity Interests;

(n) any concurrent purchase and sale, swap or exchange of any asset used or useful in the business of the Borrower and the Restricted Subsidiaries or in any line of business permitted hereunder, or any combination of any such assets and cash or Cash Equivalents, between the Borrower or a Restricted Subsidiary on one hand and another person in the other;

(o) dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of any Group Member;

(p) the sale or disposition of assets that are not Collateral in an amount (as determined in each case by the fair market value of such assets at the time of disposition) not to exceed \$8,000,000 plus, after June 30, 2021, an unlimited amount so long as, as of the Applicable Date of Determination and for the applicable Test Period, the Total Leverage Ratio, calculated on a Pro Forma Basis, does not exceed 6.00 to 1.00;

(q) dispositions in connection with Investments permitted by and consummated in accordance with Section 6.03(ff);

(r) the disposition, unwinding or terminating of Hedging Agreements not entered into for speculative purposes or the transactions contemplated thereby;

(s) other sales or dispositions in an amount not to exceed the greater of \$2,250,000 and 5% of Consolidated EBITDA for the most recently ended Test Period per fiscal year;

(t) Sale Leaseback Transactions in an amount not to exceed the greater of \$3,500,000 and 7.5% of Consolidated EBITDA for the most recently ended Test Period in the aggregate;

(u) the sale or disposition of Unrestricted Subsidiaries;

(v) the surrender or waiver of contractual rights and settlements, releases or waivers of contractual or litigation claims in the ordinary course of business;

(w) Permitted Liens; and

(x) dispositions scheduled on Schedule 6.05.

To the extent the Required Lenders or all the Lenders, as applicable, waive the provisions of this Section 6.05 with respect to the sale of any Collateral, or any Collateral is sold as permitted by this Section 6.05, such Collateral (unless sold to a Credit Party) shall be sold automatically free and clear of the Liens created by the Security Documents, and, at the request of the Borrower, the Agents shall take all actions they reasonably deem appropriate in order to effect the foregoing.



Section 6.06 Dividends. Authorize, declare or pay, directly or indirectly, any Dividends with respect to any Group Member, except that the following shall be permitted (subject to the provisos in each of Section 6.01(l) and Section 6.03(q)):

(a) Dividends by any Group Member (x) to the Borrower or any Subsidiary Guarantor, (y) to any Subsidiary that is not a Guarantor; *provided* that any such Dividend under this clause (y) is either (I) paid only in Equity Interests of such Group Member (other than Disqualified Capital Stock) or (II) if paid in cash, is paid to all shareholders on a *pro rata* basis, and (z) to Holdings paid only in Equity Interests in kind;

(b) so long as no Event of Default has occurred and is continuing or would immediately result therefrom, payments to Holdings (or any direct or indirect parent company of Holdings) to permit Holdings (or any such direct or indirect parent company of Holdings) to repurchase or redeem Qualified Capital Stock of Holdings (or any direct or indirect parent company of Holdings) held by current or former officers, directors, employees or consultants or former officers, directors, employees or consultants (or their transferees, spouses, ex-spouses, estates, heirs, family members or beneficiaries under their estates) of any Group Member (including, without limitation, upon their death, disability, retirement, severance or termination of employment or service or to make payments on Indebtedness issued to buy such Qualified Capital Stock including, without limitation, upon their death, disability, retirement, severance or termination of employment or service); *provided* that the aggregate cash consideration (for the avoidance of doubt excluding cancellation of Indebtedness owed by such person) paid for all such redemptions and payments shall not exceed, in any fiscal year, the sum of (i) the greater of \$2,750,000 and 5% of Consolidated EBITDA for the most recently ended Test Period, *plus* (ii) the net cash proceeds of any “key-man” life insurance policies of any Group Member that have not been used to make any repurchases, redemptions or payments under this clause (b); *provided, further*, that any Dividends or payments permitted to be made (but not made) pursuant to subclause (i) of this clause (b) in a given fiscal year of Holdings may be carried forward and made in the immediately succeeding fiscal year of Holdings; *provided, further*, that during an Event of Default any payments described in this clause may accrue and shall be permitted to be paid upon such Event of Default no longer existing so long as no other Event of Default is continuing at such time;

(c) the Borrower and any other Subsidiary of Holdings may make Dividends, directly or indirectly, to Holdings (and Holdings may pay to any direct or indirect parent company of Holdings) to permit Holdings (or any such direct or indirect parent company of Holdings) to pay for any taxable period for which Holdings, Intermediate Holdings, the Borrower or any Subsidiaries of Holdings are members of a consolidated, combined or similar income tax group for federal and/or applicable state or local income tax purposes or are entities treated as disregarded from any such members for U.S. federal income Tax purposes (a “**Tax Group**”) of which Holdings (or any direct or indirect parent company of Holdings) is the common parent, any consolidated, combined or similar income Taxes of such Tax Group that are due and payable by Holdings (or such direct or indirect parent company of Holdings) for such taxable period, but only to the extent attributable to the Borrower and/or other Subsidiaries of Holdings, *provided* that (x) the amount of such Dividends for any taxable period shall not exceed the amount of such Taxes that the Borrower and/or the applicable Subsidiaries of Holdings would have paid had the Borrower and/or such Subsidiaries of Holdings, as applicable, been a stand-alone corporate taxpayer (or a stand-alone corporate Tax Group) and (y) Dividends in respect of an Unrestricted Subsidiary shall be permitted only to the extent that Dividends were made by such Unrestricted Subsidiary to such Group Member or any of its Subsidiaries for such purpose;

(d) repurchases of Equity Interests deemed to occur upon the exercise of stock options if the Equity Interests represent a portion of the exercise price thereof;

(e) [reserved];

(f) the Group Members may make Dividends to Holdings or Holdings' direct or indirect equity holders so long as (i)(A) if such Dividend is made in connection with a Limited Condition Transaction, no Event of Default under Section 8.01(a), (b), (g) or (h), or (B) in each other case, no Default or Event of Default, shall have occurred and be continuing at the time of the making of such Dividend or would immediately result therefrom and in the case of the foregoing clauses (i)(A) or (i)(B), on a Pro Forma Basis, as of the Applicable Date of Determination and for the applicable Test Period, the Total Leverage Ratio shall not exceed 5.00 to 1.00, and (ii) using the Cumulative Amount so long as (A) if such Dividend is made in connection with a Limited Condition Transaction, no Event of Default under Section 8.01(a), (b), (d) (with respect to the failure to comply with Section 6.08), (g) or (h)), or (B) in each other case, no Default or Event of Default, shall have occurred and be continuing at the time of the making of such Dividend or would immediately result therefrom and in the case of the foregoing clauses (ii)(A) or (ii)(B) on a Pro Forma Basis, as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio shall not exceed 1.75 to 1.00, or (ii) after June 30, 2021 the Total Leverage Ratio shall not exceed 6.00 to 1.00;

(g) Dividends made solely in Equity Interests of Holdings (other than Disqualified Capital Stock);

(h) Dividends to finance payments expressly permitted by Section 6.07(d) and payments for reasonable director fees and reasonable and documented director indemnities and expenses may be paid as a Dividend;

(i) so long as no Event of Default shall have occurred and be continuing or would immediately result therefrom, Dividends to the extent that payment for such Dividends is made solely with cash contributions from the issuance of Equity Interests (other than Disqualified Capital Stock) of Holdings, which are contributed as cash common equity to any Credit Party and Not Otherwise Applied; *provided* that such Equity Interest amounts used pursuant to this clause (i) are not from Equity Cure Contributions;

(j) so long as no Default or Event of Default shall have occurred and be continuing or would immediately result therefrom, additional Dividends may be made to Holdings and/or (without duplication) any direct or indirect parent of Holdings in an aggregate amount not to exceed the greater of \$6,300,000 and 15% of Consolidated EBITDA for the most recently ended Test Period, *less*, in each case, the aggregate amount re-allocated to Section 6.03(y) by the Borrower pursuant to Section 6.03(y) or reallocated to Section 6.09(a)(I) pursuant to Section 6.09(a)(I);

(k) distributions for (i) administrative, overhead and related expenses (including franchise and similar taxes required to maintain corporate existence and other legal, accounting and other overhead expenses) of Holdings or any direct or indirect parent of Holdings to the extent directly attributable to the operations or ownership of the Group Members, (ii) costs and expenses related to an IPO (whether or not such IPO is, in fact, consummated) and (iii) Public Company Costs of Holdings or any direct or indirect parent of Holdings to the extent directly attributable to the operations or ownership of the Group Members, if applicable;

(l) so long as no Event of Default shall have occurred and be continuing or would immediately result therefrom, distributions to any of Holdings' direct or indirect equity holders of any working capital adjustment or any other purchase price adjustment received in connection with any Permitted Acquisition or any other Investment permitted under Section 6.03; *provided* that, with respect to any Permitted Acquisition or other Investment, the amount of such distribution shall be limited to the Equity Funded Portion thereof;

(m) Dividends by any Group Member to any direct or indirect holder of any Equity Interests in the Borrower:

(i) to finance any Investment permitted to be made pursuant to Section 6.03; *provided* that (A) such Dividend shall be made substantially concurrently with the closing of such Investment and (B) the Borrower or such parent shall, immediately following the closing thereof, cause (1) all property so acquired (whether assets or Equity Interests) to be held by or contributed to the Borrower or a Restricted Subsidiary or (2) the merger (to the extent permitted in Section 6.04) of the Person formed or acquired into it or a Restricted Subsidiary in order to consummate such Permitted Acquisition;

(ii) the proceeds of which shall be used to pay customary costs, fees and expenses (other than to Affiliates) related to any successful or unsuccessful equity or debt offering permitted by this Agreement; and

(iii) the proceeds of which shall be used to pay customary salary, bonus and other benefits payable to officers and employees of any direct or indirect parent company or partner of the Borrower to the extent such salaries, bonuses and other benefits are attributable to the ownership or operation of the Borrower and its Restricted Subsidiaries.

(n) so long as no Event of Default shall have occurred and be continuing or would immediately result therefrom, Dividends in connection with a reorganization or other activity related to tax planning and, in the reasonable business judgment of the Borrower, upon giving effect to such reorganization or other activity, there is no material adverse impact on the value of the (x) Collateral (taken as a whole) granted to the Collateral Agent for the benefit of the Lenders or (y) Guarantees in favor of the Lenders; and

(o) following the consummation of an IPO, so long as no Default or Event of Default shall have occurred and be continuing on the date of declaration of any such Dividend or would result therefrom, the Borrower may (or may make Dividends to Holdings or any parent company of the Borrower to enable it to) make Dividends with respect to any Equity Interest in any amount of up to 6% per annum of the market capitalization of Holdings (or the applicable public filing entity) and its Subsidiaries.

Section 6.07 Transactions with Affiliates. Except as otherwise permitted hereunder, enter into, directly or indirectly, any transactions, in any fiscal year of Holdings with an aggregate, with a fair market value in excess of the greater of \$3,750,000 and 5% of Consolidated EBITDA for the most recently ended Test Period, whether or not in the ordinary course of business, with any Affiliate of any Group Member (other than among the Borrower and any Guarantor or any entity that becomes a Subsidiary Guarantor as a result of such transactions), other than on terms and conditions at least as favorable to such Group Member (or, in the case of a transaction between a Credit Party and a Subsidiary that is not a Credit Party, such Credit Party) as would reasonably be obtained by such Group Member at that time in a comparable arm's-length transaction with a person other than an Affiliate (as reasonably determined by the Borrower), except that the following shall be permitted:

(a) (i) Dividends permitted by Section 6.06, (ii) Liens granted pursuant to Section 6.02, (iii) Investments permitted by Section 6.03 and Indebtedness resulting therefrom permitted under Section 6.01, (iv) transactions permitted by Section 6.04 or Section 6.10, (v) dispositions permitted under Section 6.05, (vi) payments of Indebtedness permitted under Section 6.09 and (vii) transactions among Holdings and/or any Restricted Subsidiaries which are not otherwise prohibited by this Agreement or the Loan Documents; *provided* that such provisions do not permit, and no such provision shall be used to, (x) transfer any Intellectual Property owned or licensed by Holdings or its Restricted Subsidiaries to any Unrestricted Subsidiary or (y) except as otherwise specifically permitted, to permit any Credit Party to make any Investments in, any loans to or any dispositions to any Unrestricted Subsidiary in an aggregate amount at any time outstanding, in excess of the greater of \$18,000,000 and 20% of Consolidated EBITDA for the most recently ended Test Period;

(b) director, officer and employee compensation (including bonuses) and other benefits (including, without limitation, retirement, health, incentive equity and other benefit plans) and expense reimbursement and indemnification arrangements and severance agreements;

(c) transactions with customers, clients, suppliers, joint venture partners or purchasers or sellers of goods and services, in each case in the ordinary course of business and otherwise not prohibited by the Loan Documents;

(d) the payment of all reasonable and documented out-of-pocket expenses and indemnification claims as may be set forth in any agreement with the Equity Investors relating to the services provided to the Group Members by the Equity Investors (including reasonable and documented out-of-pocket expenses and indemnification claims paid pursuant to the Management Services Agreement);

(e) transactions in furtherance of consummating any reorganization or other activity related to tax planning otherwise permitted hereunder to the extent that after giving effect thereto, there is no material adverse impact on the value of the (A) Collateral (taken as a whole) granted to the Collateral Agent for the benefit of the Lenders or (B) Guarantees in favor of the Lenders;

(f) any transaction with an Affiliate where the only consideration paid by any Credit Party is Qualified Capital Stock of Holdings (or Equity Interests of a direct or indirect parent company of Holdings);

(g) agreements relating to Intellectual Property not interfering in any material respect with the ordinary conduct of business of or the value of such Intellectual Property to such Group Member or materially impairing the security interest granted under the Security Agreement therein held by the Collateral Agent;

(h) any other agreement, arrangement or transaction as in effect on the Closing Date and listed on Schedule 6.07, and any amendment or modification with respect to such agreement, arrangement or transaction, and the performance of obligations thereunder, so long as such amendment or modification is not materially adverse to the interests of the Lenders;

(i) the Transactions as contemplated by the Transaction Documents, including the payment of any fees, costs or expenses related to such Transactions;

(j) transactions pursuant to, and permitted by, provisions of the Loan Documents with the Equity Investors and Affiliated Debt Funds (in each case, in their respective capacities as Lenders); and

(k) transactions entered into by an Unrestricted Subsidiary with an Affiliate prior to the re-designation of any such Unrestricted Subsidiary as a Restricted Subsidiary pursuant to the definition of "Unrestricted Subsidiary"; *provided* that such transactions were not entered into in contemplation of such re-designation.

Section 6.08 Financial Covenants. (a) LTM Recurring Revenue Leverage Ratio. Permit the LTM Recurring Revenue Leverage Ratio as of the last day of and for any Test Period set forth below to be greater than the ratio set forth below opposite such Test Period below:

<u>Test Period Ended</u>	<u>LTM Recurring Revenue Leverage Ratio</u>
December 31, 2018	2.15:1.00
March 31, 2019	2.05:1.00
June 30, 2019	2.00:1.00
September 30, 2019	1.95:1.00
December 31, 2019	1.85:1.00
March 31, 2020	1.80:1.00
June 30, 2020	1.75:1.00
September 30, 2020	1.70:1.00
December 31, 2020	1.60:1.00
March 31, 2021	1.55:1.00
June 30, 2021	1.50:1.00

(b) Total Leverage Ratio. Permit the Total Leverage Ratio as of the last day of and for any Test Period set forth below to be greater than the ratio set forth below opposite such Test Period below:

<u>Test Period Ended</u>	<u>Total Leverage Ratio</u>
September 30, 2021	8.30:1.00
December 31, 2021	7.60:1.00
March 31, 2022	7.35:1.00
June 30, 2022	7.05:1.00
September 30, 2022	6.70:1.00
December 31, 2022	6.25:1.00
March 31, 2023	6.10:1.00
June 30, 2023	5.90:1.00
September 30, 2023	5.65:1.00
December 31, 2023	5.30:1.00
March 31, 2024	3.65:1.00
June 30, 2024	3.25:1.00

(c) Liquidity. Permit Liquidity, as of the last day of each fiscal quarter of Holdings, commencing with the fiscal quarter of Holdings ended December 31, 2018, to be less than \$7,500,000; *provided*, that this Section 6.08(c) shall automatically cease to be in effect after June 30, 2021 (after which date, for the avoidance of doubt, there shall be no minimum Liquidity requirement hereunder).

Section 6.09 Prepayments of Certain Indebtedness; Modifications of Organizational Documents and Other Documents, etc.

(a) Directly or indirectly make any voluntary or optional payment or prepayment of, or repurchase, redemption or acquisition for value of, or any prepayment or redemption as a result of any Asset Sale, change of control or similar event of, any Indebtedness for borrowed money outstanding under documents evidencing any (x) Indebtedness that is secured on a junior lien basis to the Obligations, (y) Indebtedness that is unsecured or (z) Subordinated Indebtedness (“**Restricted Debt Payment**”) *except* (A) with the Cumulative Amount, so long as (i) no Event of Default shall have occurred and be continuing at the time of the making of such Restricted Debt Payment or would immediately result therefrom and (ii) on a Pro Forma Basis, as of the Applicable Date of Determination and for the applicable Test Period, if such Test Period ends (i) on or prior to June 30, 2021, the LTM Recurring Revenue Leverage Ratio shall not exceed 1.75 to 1.00, or (ii) after June 30, 2021 the Total Leverage Ratio shall not exceed 6.00 to 1.00, (B) in connection with any Permitted Refinancing thereof or to the extent made with the proceeds of Qualified Capital Stock of Holdings (other than any Equity Cure Contribution) that are Not Otherwise Applied; *provided* that in the case of any refinancing of Permitted Junior Refinancing Debt, such refinancing must be permitted by any applicable Intercreditor Agreement or, if applicable, the other customary subordination documentation related to such Permitted Junior Refinancing Debt; (C) [reserved], (D) prepaying, redeeming, purchasing, defeasing or otherwise satisfying prior to the scheduled maturity thereof (or setting apart any property for such purpose) (1) in the case of any Group Member that is not a Credit Party, any Indebtedness owing by such Group Member to any other Group Member, (2) otherwise, any Indebtedness owing to any Credit Party and (3) so long as no Event of Default is continuing or would immediately result therefrom, any mandatory prepayments of Indebtedness incurred under clauses (b) and (e) of Section 6.01 and any Permitted Refinancing thereof, (E) making regularly scheduled or otherwise required

payments of interest in respect of such Indebtedness (other than Indebtedness owing to any Affiliate of the Borrower) and payments of fees, expenses and indemnification obligations thereunder but only, in the case of Subordinated Indebtedness, to the extent not restricted by the subordination provisions thereof, (F) so long as no Event of Default shall have occurred and be continuing or would immediately result therefrom, to the extent that such payment is made solely with cash contributions from the issuance of Equity Interests (other than Disqualified Capital Stock) of Holdings, which are contributed as cash common equity to any Credit Party and Not Otherwise Applied, (G) converting (or exchanging) any Indebtedness to (or for) Qualified Capital Stock of Holdings, (H) any AHYDO catch-up payments with respect thereto, (I) so long as no Event of Default has occurred and is then continuing, making prepayments, redemptions, purchases, defeasance or other satisfaction of Indebtedness in an amount not to exceed the greater of \$6,300,000 and 15% of Consolidated EBITDA for the most recently ended Test Period per year less the aggregate amount re-allocated to Section 6.03(y) by the Borrower pursuant to Section 6.03(y), plus any unused amounts under Section 6.06(j), (J) so long as (A) if such Restricted Debt Payment is made in connection with a Limited Condition Transaction, no Event of Default under Section 8.01(a), (b), (g) or (h), or (B) in each other case, no Default or Event of Default, has occurred and is then continuing and computed on a Pro Forma Basis as of the Applicable Date of Determination and for the applicable Test Period, the Total Leverage Ratio does not exceed 5.00 to 1.00, making prepayments, redemptions, purchases, defeasance or other satisfaction of such Indebtedness; *provided* that any Limited Condition Transaction remains subject to the terms of Section 1.06 hereof, (K) any payments of intercompany obligations permitted under an intercompany subordination agreement or the other subordination terms approved by the Administrative Agent pursuant to Section 6.01(m) hereunder, and (L) in connection with the refinancing or exchange of any Indebtedness acquired in connection with a Permitted Acquisition or similar Investment to the extent such Indebtedness was not incurred in contemplation of such Permitted Acquisition or similar Investment to the extent such refinancing is permitted hereunder; and

(b) amend, modify or change in any manner material and adverse to the interests of the Lenders any term or condition of documents evidencing Indebtedness that is secured on a junior lien basis to the Obligations, Indebtedness that is unsecured or Subordinated Indebtedness (in, each case, other than any amendment, modification or change that is not prohibited by an Intercreditor Agreement) without the consent of the Required Lenders (not to be unreasonably withheld or delayed); and

(c) terminate, amend, modify or change any of its Organizational Documents other than any such amendments, modifications or changes or such new agreements which are not materially adverse to the interests of the Lenders.

Section 6.10 Holding Company Status. With respect to Holdings and Intermediate Holdings, engage in any business or activity, hold any assets or incur any Indebtedness or other liabilities, other than (i) its ownership of Equity Interests in its Subsidiaries, intercompany notes permitted hereunder, cash and Cash Equivalents, notes of officers, directors and employees permitted hereunder, and all other activities incidental to its ownership of Equity Interests in its Subsidiaries or related to the management of its investment in its Subsidiaries, (ii) maintaining its corporate existence, (iii) participating in tax, accounting and other administrative activities as a member of the consolidated group of companies including the Credit

Parties, (iv) executing, delivering and performing rights and obligations under the Loan Documents (including any documents governing the terms of, or entered into in connection with, any Incremental Facility or any Credit Agreement Refinancing Indebtedness in respect thereof), the other Transaction Documents, any documents and agreements relating to any Permitted Acquisition or Investment permitted hereunder to which it is a party, or the documents governing any other Indebtedness permitted hereunder and not described above that is guaranteed by (and permitted to be guaranteed by) Holdings, (v) performance of rights and obligations under any management services agreement (including the Management Services Agreement) to which it is a party, (vi) making any Dividend permitted by Section 6.06, (vii) purchasing or acquiring Qualified Capital Stock in any Subsidiary, (viii) making capital contributions to its first-tier Subsidiaries, (ix) taking actions in furtherance of and consummating an IPO, and fulfilling all initial and ongoing obligations related thereto, (x) executing, delivering and performing rights and obligations under any employment agreements and any documents related thereto, (xi) purchasing Obligations (including obligations under any Incremental Facility or any Credit Agreement Refinancing Indebtedness issued in exchange for any thereof) in accordance with this Agreement or the documents governing any Incremental Facility or any Credit Agreement Refinancing Indebtedness issued in exchange for any thereof, (xii) the buyback and sales of equity from or to officers, directors and managers of Holdings and its Subsidiaries and other persons in accordance with Section 6.06(b), (xiii) the making of loans to officers, directors (or other Persons in comparable positions), and employees and others in exchange for Equity Interests of any Credit Party or its Subsidiaries purchased by such officers, directors (or other Persons in comparable positions), employees or others pursuant to Section 6.03(e) and the acceptance of notes related thereto, (xiv) transactions expressly described herein as involving Holdings and permitted under this Agreement, (xv) the incurrence of other unsecured Indebtedness otherwise permitted hereunder that requires the payment of interest in cash solely to the extent that the Borrower and its Restricted Subsidiaries are permitted by the terms of this Agreement to make Dividends to Holdings for such purpose; *provided* that such Indebtedness shall be subordinated to the Obligations pursuant to subordination terms reasonably acceptable to the Administrative Agent, (xvi) taking actions in furtherance of consummating any reorganization or other activity related to tax planning otherwise permitted hereunder to the extent that after giving effect thereto, there is no material adverse impact on the value of the (A) Collateral (taken as a whole) granted to the Collateral Agent for the benefit of the Lenders or (B) Guarantees in favor of the Lenders, (xvii) with respect to intercompany loans otherwise permitted hereunder, (xviii) providing guarantees with respect to the performance of rights and obligations under contracts and agreements of its Subsidiaries and taking actions in furtherance thereof, and (xix) activities incidental to the businesses or activities described in clauses (i) through (xviii) above. Holdings may not use any of the baskets or other permissive covenants contained in this Article VI under Sections where it is not included as a “Group Member”.

Section 6.11 No Further Negative Pledge; Subsidiary Distributions. Enter into any agreement, instrument, deed or lease which (a) prohibits or limits the ability of any Credit Party to create, incur, assume or suffer to exist any Lien upon any of their respective properties or revenues, whether now owned or hereafter acquired, or which requires the grant of any security for an obligation if security is granted for another obligation or (b) prohibits, restricts or imposes any condition upon the ability of any Restricted Subsidiary that is not a Credit Party from paying dividends or other distributions with respect to any of its Equity Interests or to make or repay loans or advances to any Restricted Subsidiary or to Guarantee Indebtedness of any Restricted



Subsidiary, in each case, except the following: (i) this Agreement and the other Loan Documents, and any documents governing any Incremental Facility or, in each case, any Credit Agreement Refinancing Indebtedness in respect thereof; (ii) covenants in documents creating Liens permitted by Section 6.02 prohibiting further Liens on the properties encumbered thereby; (iii) [reserved]; (iv) any other agreement that does not restrict in any manner (directly or indirectly) Liens created pursuant to the Loan Documents on any Collateral securing the Secured Obligations and does not require the direct or indirect granting of any Lien securing any Indebtedness or other obligation by virtue of the granting of Liens on or pledge of property of any Credit Party to secure the Secured Obligations; (v) customary covenants and restrictions in any indenture, agreement, document, instrument or other arrangement relating to non-material assets or business of any Subsidiary existing prior to the consummation of a Permitted Acquisition in which such Subsidiary was acquired (and not created in contemplation of such Permitted Acquisition); (vi) customary restrictions on cash or other deposits; (vii) net worth provisions in leases and other agreements entered into by a Group Member in the ordinary course of business; (viii) contractual encumbrances or restrictions existing on the Closing Date and identified on Schedule 6.11; and (ix) any prohibition or limitation that (I) exists pursuant to applicable Requirements of Law, (II) consists of customary restrictions and conditions contained in any agreement relating to the sale of any property permitted under Section 6.05, stock sale agreement, joint venture agreement, sale/leaseback agreement, purchase agreements, or acquisition agreements (including by way of merger, acquisition or consolidation) entered into by a Credit Party or any Subsidiary solely to the extent pending the consummation of such transaction, which covenant or restriction is limited to the assets that are the subject of such agreements, (III) restricts subletting or assignment of leasehold interests contained in any Lease governing a leasehold interest of a Credit Party or a Subsidiary, or (IV) is imposed by any amendments or refinancings that are otherwise permitted by the Loan Documents of the contracts, instruments or obligations referred to in immediately preceding clauses (i) through (ix) of this Section 6.11; *provided* that such amendments and refinancings are no more materially restrictive with respect to such prohibitions and limitations than those prior to such amendment or refinancing.

Section 6.12 Nature of Business. The Borrower and its Restricted Subsidiaries will not engage in any material line of business other than those material lines of business substantially similar to the lines of business conducted by the Borrower and its Restricted Subsidiaries on the Closing Date or any business reasonably related, similar, corollary, complementary, incidental or ancillary thereto.

Section 6.13 Fiscal Year. Change its fiscal year end date to a date other than December 31, other than with the previous written consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed).

## **ARTICLE VII GUARANTEE**

Section 7.01 The Guarantee. Each Guarantor and the Borrower hereby jointly and severally guarantees, as a primary obligor and not as a surety, to each Secured Party and its successors and assigns, the prompt payment in full when due (whether at stated maturity, by required prepayment, declaration, demand, or acceleration or otherwise) of the principal of and interest on (including any interest, fees, costs or charges that would accrue but for the provisions

of Title 11 of the United States Code after any bankruptcy or insolvency petition under Title 11 of the United States Code) the Loans made by the Lenders to, and the Notes held by each Lender of, the Borrower, and all other Secured Obligations from time to time owing to the Secured Parties by any Credit Party under any Loan Document or any Secured Cash Management Agreement or Secured Hedging Agreement, in each case strictly in accordance with the terms thereof (such obligations being herein collectively called the “**Guaranteed Obligations**”). Each Guarantor and the Borrower hereby jointly and severally agree that if, in the case of such Guarantor, the Borrower or any other Guarantor, and in the case of the Borrower, any Guarantor, shall fail to pay in full when due (whether at stated maturity, by acceleration or otherwise) any of the Guaranteed Obligations, the Borrower and the Guarantors will promptly pay the same in cash, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, by acceleration or otherwise) in accordance with the terms of such extension or renewal. Notwithstanding any provision hereof or in any other Loan Document to the contrary, no Obligation in respect of any Secured Hedging Agreement shall be payable by or from the assets of any Credit Party if such Credit Party, is not, at the later of (i) the time such Secured Hedging Agreement is entered into and (ii) the date such person becomes a Credit Party, an “eligible contract participant” as such term is defined in Section 1(a)(18) of the Commodity Exchange Act, as amended, and no Credit Party shall be deemed to have entered into or guaranteed any Hedging Agreement at any time that such Credit Party is not an eligible contract participant. The guarantee made by the Borrower hereunder relates solely to the Secured Obligations from time to time owing to the Secured Parties by any Credit Party other than the Borrower under any Secured Cash Management Agreement or Secured Hedging Agreement.

Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Credit Party to honor all of its obligations under this Guarantee in respect of Swap Obligations (*provided, however*, that each Qualified ECP Guarantor shall only be liable under this Section 7.01 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 7.01, or otherwise under this Guarantee, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section 7.01 shall remain in full force and effect until the termination of this Guarantee in accordance with Section 7.09 hereof. Each Qualified ECP Guarantor intends that this Section 7.01 constitute, and this Section 7.01 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Credit Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

Section 7.02 Obligations Unconditional. The obligations of the Guarantors and, as applicable, the Borrower under Section 7.01 shall constitute a guaranty of payment and performance of Guaranteed Obligations and, to the fullest extent permitted by applicable Requirements of Law, are absolute, irrevocable and unconditional, and joint and several, irrespective of the value, genuineness, validity, regularity or enforceability of the Guaranteed Obligations under this Agreement, the Notes, if any, or any other agreement or instrument referred to herein or therein, or any substitution, release or exchange of any other guarantee of or security for any of the Guaranteed Obligations, and, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor (except

for payment in full of the Guaranteed Obligations (other than contingent indemnity obligations)). Without limiting the generality of the foregoing and subject to applicable law, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the Credit Parties hereunder, which shall remain absolute, irrevocable and unconditional under any and all circumstances as described above:

(a) at any time or from time to time, without notice to the Credit Parties, the time for any performance of or compliance with any of the Guaranteed Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of this Agreement or the Notes, if any, or any other agreement or instrument referred to herein or therein shall be done or omitted;

(c) the maturity of any of the Guaranteed Obligations shall be accelerated, or any of the Guaranteed Obligations shall be amended in any respect, or any right under the Loan Documents or any other agreement or instrument referred to herein or therein shall be amended or waived in any respect or any other guarantee of any of the Guaranteed Obligations or any security therefor shall be released or exchanged in whole or in part or otherwise dealt with;

(d) any Lien or security interest granted to, or in favor of, the Issuing Bank or any Lender, Agent or other Secured Party as security for any of the Guaranteed Obligations shall fail to be valid and perfected;

(e) any exercise of remedies with respect to any security for the Guaranteed Obligations (including, without limitation, any collateral, including the Collateral securing or purporting to secure any of the Guaranteed Obligations) at such time and in such order and in such manner as the Administrative Agent and the Secured Parties may decide and whether or not every aspect thereof is commercially reasonable and whether or not such action constitutes an election of remedies and even if such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy that any Credit Party would otherwise have and without limiting the generality of the foregoing but other than with respect to any rights expressly set forth herein or in any other Loan Document, each Credit Party hereby expressly waives any and all benefits which might otherwise be available to such Credit Party in its capacity as a guarantor under applicable law; or

(f) the release of any other Guarantor pursuant to Section 9.10.

The Credit Parties hereby expressly waive, to the extent permitted by law, diligence, presentment, demand of payment, protest and all notices whatsoever (other than any notices expressly required hereby or by any other Loan Document), and any requirement that any Secured Party exhaust any right, power or remedy or proceed against the Borrower or any other Credit Party under this Agreement or the Notes, if any, or any other agreement or instrument referred to herein or therein, or against any other person under any other guarantee of, or security for, any of the Guaranteed Obligations. The Credit Parties waive, to the extent permitted by law, any and all notice of the creation, renewal, extension, waiver, termination or accrual of any of the Guaranteed Obligations and notice of or proof of reliance by any Secured Party upon this

Guarantee or acceptance of this Guarantee, and the Guaranteed Obligations, and any of them, shall be deemed to have been created, contracted or incurred in reliance upon this Guarantee, and all dealings between the Borrower and/or the Guarantors on the one hand and the Secured Parties on the other hand shall likewise be presumed to have been had or consummated in reliance upon this Guarantee. This Guarantee shall be construed as a continuing, absolute, irrevocable and unconditional guarantee of payment and performance of the Guaranteed Obligations without regard to any right of offset with respect to the Guaranteed Obligations at any time or from time to time held by Secured Parties, and the obligations and liabilities of the Credit Parties hereunder shall not be conditioned or contingent upon the pursuit by the Secured Parties or any other person at any time of any right or remedy against the Borrower or any other Credit Party or against any other person which may be or become liable in respect of all or any part of the Guaranteed Obligations or against any collateral security or guarantee therefor or right of offset with respect thereto. This Guarantee shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon the Credit Parties and the successors and assigns thereof, and shall inure to the benefit of the Lenders, and their respective successors and permitted assigns, notwithstanding that from time to time during the term of this Agreement there may be no Guaranteed Obligations outstanding.

Section 7.03 Reinstatement. The obligations of the Credit Parties under this Article VII shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of the Borrower or other Credit Party in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Guaranteed Obligations, in each case, as a result of any proceedings in bankruptcy or reorganization or pursuant to a Debtor Relief Law.

Section 7.04 Subrogation; Subordination. Each Credit Party hereby agrees that, until the Obligations have been Paid in Full and the Commitments have been terminated or expired, it shall subordinate and not exercise any claim and shall not exercise any right or remedy, direct or indirect, arising by reason of any performance by it of its guarantee in Section 7.01, whether by subrogation, contribution or otherwise, against the Borrower or any other Guarantor of any of the Guaranteed Obligations or any security for any of the Guaranteed Obligations. Any Indebtedness of any Credit Party permitted pursuant to Section 6.01(m) shall be subordinated to such Credit Party's Guaranteed Obligations pursuant to customary intercreditor arrangements satisfactory to the Administrative Agent; *provided* that upon the Payment in Full of the Guaranteed Obligations and the expiration or termination of the Commitments of the Lenders under this Agreement, without any further action by any person, the Guarantors shall be automatically subrogated to the rights of the Administrative Agent and the Lenders to the extent of any payment hereunder.

Section 7.05 Remedies. Subject to the terms of any applicable Intercreditor Agreement, the Guarantors jointly and severally agree that, as between the Guarantors and the Lenders, the obligations of the Borrower under this Agreement and the Notes, if any, may be declared to be forthwith due and payable as provided in Section 8.01 (and shall be deemed to have become automatically due and payable in the circumstances provided in Section 8.01) for purposes of Section 7.01, notwithstanding any stay, injunction or other prohibition preventing such declaration (or such obligations from becoming automatically due and payable) as against the Borrower and that, in the event of such declaration (or such obligations being deemed to have become automatically due and payable), such obligations (whether or not due and payable by the Borrower) shall forthwith become due and payable by the Guarantors for purposes of Section 7.01.

Section 7.06 Instrument for the Payment of Money. Each Guarantor and the Borrower hereby acknowledges that the guarantee in this Article VII constitutes an instrument for the payment of money, and consents and agrees that any Lender or Agent, at its sole option, in the event of a dispute by such Guarantor or the Borrower in the payment of any moneys due hereunder, shall have the right to bring a motion or action under New York CPLR Section 3213.

Section 7.07 Continuing Guarantee. The guarantee in this Article VII is a continuing guarantee of payment, and shall apply to all Guaranteed Obligations whenever arising.

Section 7.08 General Limitation on Guarantee Obligations. In any action or proceeding involving any state corporate, limited partnership or limited liability company law, or any applicable state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor or the Borrower under Section 7.01 would otherwise be held or determined to be void, voidable, invalid or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 7.01, then, notwithstanding any other provision to the contrary, the amount of such liability shall, without any further action by such Guarantor or the Borrower, any Credit Party or any other person, be automatically limited and reduced to the highest amount (after giving effect to the right of contribution established in Section 7.10) that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding.

Section 7.09 Release of Guarantors. If, in compliance with the terms and provisions of the Loan Documents, all or substantially all of the Equity Interests of any Subsidiary Guarantor are sold or otherwise transferred (a "**Transferred Guarantor**") to a person or persons, none of which is the Borrower or a Guarantor, such Transferred Guarantor shall, effective immediately upon the consummation of such sale or transfer, be automatically released from its obligations under this Agreement (including under Section 10.03 hereof) and its obligations to pledge and grant any Collateral owned by it pursuant to any Security Document and the pledge of such Equity Interests to the Collateral Agent pursuant to the Security Agreements shall be automatically released, and, so long as the Borrower shall have provided the Agents such certifications or documents as any Agent shall reasonably request to demonstrate compliance with this Agreement, the Collateral Agent shall (at the expense and request of the Borrower) take such actions as are necessary to effect each release described in this Section 7.09 in accordance with the relevant provisions of the Security Documents.

Section 7.10 Right of Contribution. Each Guarantor hereby agrees that to the extent that such Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder which has not paid its proportionate share of such payment, in an amount not to exceed the highest amount that would be valid and enforceable and not subordinated to the claims of other creditors as determined in any action or proceeding involving any state corporate, limited partnership or limited liability law, or any applicable state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally. Each such Guarantor's right of contribution shall be subject to the terms and conditions of

Section 7.04. The provisions of this Section 7.10 shall in no respect limit the obligations and liabilities of any Guarantor to the Administrative Agent, the Issuing Bank, and the Lenders, and each Guarantor shall remain liable to the Administrative Agent, the Issuing Bank, and the Lenders for the full amount guaranteed by such Guarantor hereunder.

## ARTICLE VIII EVENTS OF DEFAULT

Section 8.01 Events of Default. For so long as this Agreement remains outstanding, upon the occurrence and during the continuance of the following events ("Events of Default");

(a) default shall be made in the payment of any principal of any Loan (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) or any Reimbursement Obligation when and as the same shall become due and payable, whether at the due date thereof (including a Term Loan Repayment Date) or at a date fixed for mandatory prepayment thereof or by acceleration thereof or otherwise;

(b) default shall be made in the payment of any interest on any Loan or any Fee or any other amount (other than an amount referred to in clause (a) above) due under any Loan Document, when and as the same shall become due and payable, and such default shall continue unremedied for a period of five (5) Business Days;

(c) any representation or warranty made or deemed made by or on behalf of any Group Member in any Loan Document, Borrowing Request, LC Request or any representation, warranty, statement or information contained in any certificate furnished by or on behalf of any Group Member pursuant to any Loan Document, shall prove to have been false or misleading in any material respect when so made or deemed made, and such false or misleading representation, warranty, statement or information, to the extent capable of being cured, shall continue to be false, misleading or otherwise unremedied, or shall not be waived, for a period of thirty (30) days after receipt of written notice thereof from the Administrative Agent to the Borrower;

(d) default shall be made in the due observance or performance by any Group Member of any covenant, condition or agreement contained in Section 5.02(a) or Section 5.03(a) (only with respect to legal existence in the Borrower's state of organization), or in Article VI; *provided*, that an Event of Default under Section 6.08 is subject to a cure pursuant to Section 8.03;

(e) default shall be made in the due observance or performance by any Group Member of any covenant, condition or agreement contained in any Loan Document other than those specified in clauses (a), (b) or (d) immediately above or those specified in clause (m) below and such default shall continue unremedied or shall not be waived for a period of thirty (30) days after receipt of written notice thereof from the Administrative Agent to the Borrower;

(f) any Credit Party shall fail to (i) pay any principal or interest, due in respect of any Indebtedness (other than the Obligations), when and as the same shall become due and payable beyond any applicable grace period, or (ii) observe or perform any other term, covenant, condition or agreement contained in any agreement or instrument evidencing or governing any such Indebtedness, if the effect of any failure referred to in this clause (ii) is to cause, or to permit the holder or holders of such Indebtedness or a trustee or other representative on its or their behalf to cause (with or without the giving of notice but taking into account any applicable grace periods or waivers), such Indebtedness to become due prior to its stated maturity or become subject to a mandatory offer to purchase by the obligor; *provided* that this clause (ii) shall not apply to (x) secured Indebtedness that becomes due as a result of the sale, transfer or other disposition (including as a result of a casualty or condemnation event) of the property or assets securing such Indebtedness (to the extent such sale, transfer or other disposition is not prohibited under this Agreement and such Indebtedness is repaid in accordance with its terms) or (y) Indebtedness that is convertible into Equity Interests and converted into Equity Interests in accordance with its terms and such conversion is not prohibited hereunder; *provided, further*, that no Event of Default shall occur pursuant to this clause (f) unless the aggregate principal amount of all such Indebtedness referred to in clauses (i) and (ii) exceeds \$7,250,000 at any one time (*provided* that, in the case of Hedging Obligations, the amount counted for this purpose shall be the amount payable by all Credit Parties if such Hedging Obligations were terminated at such time; *provided, further*, that such failure is unremedied and is not waived by the holders of such Indebtedness);

(g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of any Group Member (other than any Immaterial Subsidiary), or of all or substantially all of the property of any Group Member (other than any Immaterial Subsidiary), under Title 11 of the U.S. Code, as now constituted or hereafter amended, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law; (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Group Member (other than any Immaterial Subsidiary) or for all or substantially of the property of any Group Member (other than any Immaterial Subsidiary); or (iii) the winding-up or liquidation of any Group Member (other than any Immaterial Subsidiary); and such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(h) any Group Member (other than any Immaterial Subsidiary) shall (i) voluntarily commence any proceeding, or file any petition, seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law; (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or the filing of any petition described in clause (g) above; (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Group Member (other than any Immaterial Subsidiary) or for a substantial part of the property of any Group Member (other than any Immaterial Subsidiary); (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding; (v) make a general assignment for the benefit of creditors; (vi) become unable, admit in writing its inability, or fail generally to, pay its debts as they become due; or (vii) take any corporate (or equivalent) action for the purpose of effecting any of the foregoing;

(i) there is entered against any Credit Party or any Restricted Subsidiary (other than any Immaterial Subsidiary) final, non-appealable judgments or orders for the payment of money in an aggregate amount in excess of \$7,250,000 (to the extent not covered by independent third-party insurance or a third-party indemnification agreement) and such judgments or orders shall not have been satisfied, vacated, discharged or stayed or bonded pending an appeal for a period of sixty (60) consecutive days or any action shall be legally taken by a judgment creditor to levy upon properties of any Credit Party or any Restricted Subsidiary (other than any Immaterial Subsidiary) to enforce any such judgment (other than the filing of a judgment Lien);

(j) any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder (including as a result of a transaction permitted under Section 6.04 or Section 6.05) or solely as a result of acts or omissions by the Administrative Agent or any Lender, or the Payment in Full of all of the Obligations and termination of the Commitments, ceases to be in full force and effect or ceases (in the case of any Security Document) to create a valid and perfected first priority lien on the Collateral covered thereby; or any Credit Party contests in writing the validity or enforceability of any material provision of any Loan Document; or any Credit Party denies in writing that it has any or further liability or obligation under any material provision of any Loan Document (other than as a result of Payment in Full of the Obligations and termination of the Commitments), or purports in writing to revoke or rescind any material provision of any Loan Document;

(k) there shall have occurred an ERISA Event that, when taken either alone or together with all other ERISA Events, could reasonably be expected to have a Material Adverse Effect;

(l) there shall have occurred a Change in Control; or

(m) default shall be made in the due observance or performance by any Group Member of any covenant, condition or agreement contained in Section 5.01 and such default shall continue unremedied or shall not be waived for a period of ten (10) Business Days after receipt of written notice thereof from the Administrative Agent to the Borrower.

then, and in every such event (other than an event with respect to a Credit Party described in clause (g) or (h) above), and at any time thereafter during the continuance of such event, the Administrative Agent may, with the prior consent of the Required Lenders, and at the request of the Required Lenders shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate forthwith the Commitments and (ii) declare the Loans and Reimbursement Obligations then outstanding to be forthwith due and payable in whole or in part, whereupon the principal of the Loans (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) and Reimbursement Obligations so declared to be due and payable, together with accrued interest thereon and any unpaid accrued Fees and all other Obligations accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower and the Guarantors, anything contained herein or in any other Loan Document to the contrary notwithstanding; and in any event, with respect to the events described in clause (g) or (h) above with respect to a Credit Party, the Commitments shall automatically terminate and the principal of the Loans (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) and Reimbursement Obligations then outstanding, together with accrued interest thereon and any unpaid accrued Fees and all other Obligations accrued hereunder and under any other Loan Document, shall automatically become due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower and the Guarantors, anything contained herein or in any other Loan Document to the contrary notwithstanding.



Notwithstanding anything to the contrary contained herein or in any other Loan Document, any Default or Event of Default under this Agreement or similarly defined term under any other Loan Document, shall be deemed not to “exist” be “continuing” (or other similar expression with respect thereto) if the events, acts or conditions that gave rise to such Event of Default have been remedied or cured (including by payment, notice, taking of any action or omitting to take any action) or have ceased to exist or if such Event of Default has been waived.

Section 8.02 Application of Proceeds. Subject to the terms of any applicable Intercreditor Agreement, the proceeds received by the Administrative Agent or the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral or the Guarantees pursuant to the exercise by the Administrative Agent or the Collateral Agent, as the case may be, in accordance with the terms of the Loan Documents, of its remedies shall be applied, in full or in part, together with any other sums then held by the Collateral Agent pursuant to this Agreement, promptly by the Administrative Agent or the Collateral Agent, as the case may be, as follows:

(a) *first*, to the payment of all reasonable and documented costs and expenses, fees, commissions and taxes of such sale, collection or other realization including compensation to the Administrative Agent, the Collateral Agent and their respective agents and counsel, and all expenses, liabilities and advances made or incurred by the Administrative Agent or the Collateral Agent in connection therewith and all amounts for which the Administrative Agent or the Collateral Agent is entitled to indemnification pursuant to the provisions of any Loan Document, together with interest (including accrued and unpaid PIK Interest) on each such amount at the highest rate then in effect under this Agreement from and after the date such amount is due, owing or unpaid until paid in full;

(b) *second*, to the payment of all other reasonable and documented costs and expenses of such sale, collection or other realization (including compensation to the other Secured Parties and their agents and counsel and all costs, liabilities and advances made or incurred by the other Secured Parties in connection therewith), together with interest on each such amount at the highest rate then in effect under this Agreement from and after the date such amount is due, owing or unpaid until paid in full;

(c) *third*, without duplication of amounts applied pursuant to clauses (a) and (b) above, to the payment in full in cash, *pro rata*, of interest (including any PIK Interest that has accrued but yet to be capitalized) and other amounts constituting Obligations (other than principal, any premium thereon, Reimbursement Obligations and obligations to cash collateralize Letters of Credit);

(d) *fourth*, to the payment in full in cash, *pro rata*, of the principal amount of the Obligations (including PIK Interest that has capitalized and been added to the principal balance of the Term Loans) and any premium thereon (including Reimbursement Obligations and obligations to cash collateralize Letters of Credit);

(e) *fifth*, any fees, premiums and scheduled periodic payments due under Cash Management Agreements and Hedging Agreements constituting Secured Obligations and any interest accrued thereon, in each case equally and ratably in accordance with the respective amounts thereof then due and owing;

(f) *sixth*, any breakage, termination or other payments under Cash Management Agreements and Hedging Agreements constituting Secured Obligations and any interest accrued thereon;

(g) *seventh*, the balance, if any, to the person lawfully entitled thereto (including the applicable Credit Party or its successors or assigns) or as a court of competent jurisdiction may direct.

In the event that any such proceeds are insufficient to pay in full the items described in the preceding sentences of this Section 8.02, the Credit Parties shall remain liable, jointly and severally, for any deficiency. For the avoidance of doubt, notwithstanding any other provision of any Loan Document, no amount received directly or indirectly from any Credit Party that is not a Qualified ECP Guarantor shall be applied directly or indirectly by the Administrative Agent or otherwise to the payment of any Excluded Swap Obligations and Obligations arising under Secured Cash Management Agreements and Secured Hedging Agreements shall be excluded from the application described above in clauses (a) through (e) of the first sentence of this Section 8.02 if the Administrative Agent has not received written notice thereof, together with such supporting documentation from the applicable Cash Management Bank or Hedge Bank, as the case may be, as may be reasonably necessary to determine the amount of the Obligations owed thereunder. Each Cash Management Bank or Hedge Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent and the Collateral Agent pursuant to the terms of Article IX hereof for itself and its Affiliates as if a “Lender” party hereto and be deemed to be (and agrees to be) subject to the provisions in Sections 10.09, 10.10 and 10.12 as a party hereto.

#### Section 8.03 Equity Cure.

(a) Notwithstanding anything to the contrary contained in Section 8.01, but subject to Section 8.03(b), solely for the purpose of determining whether an Event of Default has occurred pursuant to Section 6.08(b) (the “**Total Leverage Covenant**”) as of the end of and for any Test Period ending on the last day of any fiscal quarter with respect to which the Total Leverage Covenant is tested (such fiscal quarter, a “**Cure Quarter**”), the then existing direct or indirect equity holders of Holdings shall have the right to make an equity investment, directly or indirectly (which equity shall not be Disqualified Capital Stock), in Holdings in cash, which Holdings shall contribute, directly or indirectly, to the Borrower in cash (which equity contribution shall not be Disqualified Capital Stock in the Borrower or otherwise in a form reasonably acceptable to the Administrative Agent) on or after the first day of such Cure Quarter and on or prior to the fifteenth (15<sup>th</sup>) Business Day after the date on which financial statements are required to be delivered pursuant to Section 5.01(a) or (b), as applicable, with respect to such Cure Quarter or the fiscal year ending on the last day of such Cure Quarter, as applicable (the “**Cure Expiration Date**”), and such cash will, if so designated by Holdings, be included in the calculation of

Consolidated EBITDA for purposes of determining compliance with the Total Leverage Covenant as of the end of and for the Test Period ending on the last day of such Cure Quarter and any Test Periods ending on the last day of any of the subsequent three fiscal quarters (any such equity contribution so included in the calculation of Consolidated EBITDA, an **“Equity Cure Contribution,”** and the amount of such Equity Cure Contribution, the **“Cure Amount”**); *provided* that such Equity Cure Contribution is Not Otherwise Applied. All Equity Cure Contributions shall be disregarded for all purposes of this Agreement other than inclusion in the calculation of Consolidated EBITDA for the purpose of determining compliance with the Total Leverage Covenant as of the end of and for the Test Period ending on the last day of such Cure Quarter and any Test Periods ending on the last day of any of the subsequent three fiscal quarters, including being disregarded for purposes of the determination of the Cumulative Amount and all components thereof and any baskets with respect to the covenants contained in Article VI (other than Section 6.08). There shall be no pro forma reduction in Consolidated Total Funded Indebtedness as a result of any prepayments of Indebtedness with the proceeds of any Equity Cure Contribution for determining compliance with the Total Leverage Covenant under Section 6.08 as of and for the Test Period ending on the last day of the Cure Quarter; *provided* that such Equity Cure Contribution shall reduce Consolidated Total Funded Indebtedness in future fiscal quarters to the extent used to prepay any applicable Indebtedness. Notwithstanding anything to the contrary contained in Section 8.01, (A) upon receipt of the Cure Amount by Holdings (and the subsequent contribution in cash to the Borrower (which equity contribution shall not be Disqualified Capital Stock in the Borrower)) in an amount necessary to cause the Borrower to be in compliance with the Total Leverage Covenant as of the end of and for the Test Period ending on the last day of such Cure Quarter, the Total Leverage Covenant under Section 6.08(b) shall be deemed satisfied and complied with as of the end of and for such Test Period with the same effect as though there had been no failure to comply with the Total Leverage Covenant under Section 6.08(b), and any Default or Event of Default related to any failure to comply with the Total Leverage Covenant shall be deemed not to have occurred for purposes of the Loan Documents and (B) upon receipt by the Administrative Agent of a notice from the Borrower stating the Borrower’s intent to cure such Event of Default (**“Notice of Intent to Cure”**) prior to the making of an Equity Cure Contribution (but in any event no later than the Cure Expiration Date): (i) no Default or Event of Default shall be deemed to have occurred on the basis of any failure to comply with the Total Leverage Covenant unless such failure is not cured by the making of an Equity Cure Contribution on or prior to the Cure Expiration Date, (ii) the Borrower shall not be permitted to borrow Revolving Loans and new Letters of Credit shall not be issued unless and until the Equity Cure Contribution is made or all existing Events of Default are waived or cured or the Required Revolving Lenders otherwise consent to the advance of Revolving Loans or the issuance of new Letters of Credit, (iii) none of the Administrative Agent, the Collateral Agent or any Lender shall exercise any of the remedial rights otherwise available to it upon an Event of Default, including the right to accelerate the Loans, to terminate Commitments or to foreclose on the Collateral solely on the basis of an Event of Default having occurred as a result of a violation of Section 6.08(b), unless the Equity Cure Contribution is not made on or before the Cure Expiration Date and (iv) if the Equity Cure Contribution is not made on or before the Cure Expiration Date, such Event of Default or potential Event of Default shall spring into existence after such time.

(b) There shall be (i) no more than five (5) Equity Cure Contributions made during the term of this Agreement and (ii) no more than two (2) Equity Cure Contributions made during any four consecutive fiscal quarters. No Equity Cure Contribution shall be any greater than the minimum amount required to cause the Borrower to be in compliance with the Total Leverage Covenant in the applicable Cure Quarter.

**ARTICLE IX**  
**THE ADMINISTRATIVE AGENT AND THE COLLATERAL AGENT**

Section 9.01 Appointment and Authority.

(a) Appointment of Administrative Agent. Each Lender and each Issuing Bank hereby appoints Goldman (together with any successor Administrative Agent pursuant to Section 9.09) as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to (i) execute and deliver the Loan Documents and accept delivery thereof on its behalf from any Credit Party, (ii) take such action on its behalf and to exercise all rights, powers and remedies and perform the duties as are expressly delegated to the Administrative Agent under such Loan Documents and (iii) exercise such powers as are reasonably incidental thereto.

(b) Duties as Collateral and Disbursing Agent. Without limiting the generality of clause (a) above, the Administrative Agent shall have the sole and exclusive right and authority (to the exclusion of the Lenders and Issuing Banks), and is hereby authorized, to (i) act as the disbursing and collecting agent for the Lenders and the Issuing Banks with respect to all payments and collections arising in connection with the Loan Documents (including in any bankruptcy, insolvency or similar proceeding), and each Person making any payment in connection with any Loan Document to any Secured Party is hereby authorized to make such payment to the Administrative Agent, (ii) file and prove claims and file other documents necessary or desirable to allow the claims of the Secured Parties with respect to any Obligation in any proceeding described in Section 8.01(g) or (h) or any other bankruptcy, insolvency or similar proceeding (but not to vote, consent or otherwise act on behalf of such Secured Party), (iii) act as collateral agent for each Secured Party for purposes of the perfection of all Liens created by such agreements and all other purposes stated therein, (iv) manage, supervise and otherwise deal with the Collateral, (v) take such other action as is necessary or desirable to maintain the perfection and priority of the Liens created or purported to be created by the Loan Documents, (vi) except as may be otherwise specified in any Loan Document, exercise all remedies given to the Administrative Agent and the other Secured Parties with respect to the Collateral, whether under the Loan Documents, applicable Requirements of Law or otherwise and (vii) execute any amendment, consent or waiver under the Loan Documents on behalf of any Lender that has consented in writing to such amendment, consent or waiver; provided, however, that the Administrative Agent hereby appoints, authorizes and directs each Lender and Issuing Bank to act as collateral sub-agent for the Administrative Agent, the Lenders and the Issuing Banks for purposes of the perfection of all Liens with respect to the Collateral, including any deposit account maintained by a Credit Party with, and cash and Cash Equivalents held by, such Lender or Issuing Bank, and may further authorize and direct the Lenders and the Issuing Banks to take further actions as collateral sub-agents for purposes of enforcing such Liens or otherwise to transfer the Collateral subject thereto to the Administrative Agent, and each Lender and Issuing Bank hereby agrees to take such further actions to the extent, and only to the extent, so authorized and directed.

(c) Limited Duties. Under the Loan Documents, the Administrative Agent (i) is acting solely on behalf of the Lenders and the Issuing Banks (except to the limited extent provided in Section 10.04(b) with respect to the Register and in Section 9.11 with respect to the other Secured Parties), with duties that are entirely administrative in nature, notwithstanding the use of the defined terms “Administrative Agent” and “Collateral Agent”, the terms “agent”, “administrative agent” and “collateral agent” and similar terms in any Loan Document to refer to the Administrative Agent, which terms are used for title purposes only, (ii) is not assuming any obligation under any Loan Document other than as expressly set forth therein or any role as agent, fiduciary or trustee of or for any Lender, Issuing Bank or any other Secured Party and (iii) shall have no implied functions, responsibilities, duties, obligations or other liabilities under any Loan Document, and each Lender and Issuing Bank hereby waives and agrees not to assert any claim against the Administrative Agent based on the roles, duties and legal relationships expressly disclaimed in clauses (i) through (iii) above.

Section 9.02 Binding Effect. Each Lender and each Issuing Bank agrees that (i) any action taken by the Administrative Agent or the Required Lenders (or, if expressly required hereby, a greater proportion of the Lenders) in accordance with the provisions of the Loan Documents, (ii) any action taken by the Administrative Agent in reliance upon the instructions of Required Lenders (or, where so required, such greater proportion) and (iii) the exercise by the Administrative Agent or the Required Lenders (or, where so required, such greater proportion) of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Secured Parties.

Section 9.03 Use of Discretion.

(a) No Action without Instructions. The Administrative Agent shall not be required to exercise any discretion or take, or to omit to take, any action, including with respect to enforcement or collection, except any action it is required to take or omit to take (i) under any Loan Document or (ii) pursuant to instructions from the Required Lenders (or, where expressly required by the terms of this Agreement, the Required Revolving Lenders or a greater proportion of the Lenders).

(b) Right Not to Follow Certain Instructions. Notwithstanding clause (a) above, the Administrative Agent shall not be required to take, or to omit to take, any action (i) unless, upon demand, the Administrative Agent receives an indemnification satisfactory to it from the Lenders (or, to the extent applicable and acceptable to the Administrative Agent, any other Secured Party) against all liabilities that, by reason of such action or omission, may be imposed on, incurred by or asserted against the Administrative Agent or any Related Party thereof or (ii) that is, in the opinion of the Administrative Agent or its counsel, contrary to any Loan Document or applicable Requirements of Law.

Section 9.04 Delegation of Rights and Duties. The Administrative Agent may, upon any term or condition it specifies, delegate or exercise any of its rights, powers and remedies under, and delegate or perform any of its duties or any other action with respect to, any Loan Document by or through any trustee, co-agent, employee, attorney-in-fact and any other Person (including any Secured Party). Any such Person shall benefit from this Article IX to the extent provided by the Administrative Agent.

Section 9.05 Reliance and Liability.

(a) The Administrative Agent may, without incurring any liability hereunder, (i) treat the payee of any Note as its holder until such Note has been assigned in accordance with Section 10.04(b), (ii) rely on the Register to the extent set forth in Section 10.04(c), (iii) consult with any of its Related Parties and, whether or not selected by it, any other advisors, accountants and other experts (including advisors to, and accountants and experts engaged by, any Credit Party) and (iv) rely and act upon any document and information (including those transmitted by electronic or other information transmission systems) and any telephone message or conversation, in each case believed by it to be genuine and transmitted, signed or otherwise authenticated by the appropriate parties; and

(b) None of the Administrative Agent and its Related Parties shall be liable for any action taken or omitted to be taken by any of them under or in connection with any Loan Document, and each Lender, Issuing Bank and the Credit Parties hereby waive and shall not assert any right, claim or cause of action based thereon, except to the extent of liabilities resulting primarily from the gross negligence or willful misconduct of the Administrative Agent or, as the case may be, such Related Party (each as determined in a final, non-appealable judgment by a court of competent jurisdiction) in connection with the duties expressly set forth herein. Without limiting the foregoing, the Administrative Agent:

(i) shall not be responsible or otherwise incur liability for any action or omission taken in reliance upon the instructions of the Required Lenders or for the actions or omissions of any of its Related Parties selected with reasonable care (other than employees, officers and directors of the Administrative Agent, when acting on behalf of the Administrative Agent);

(ii) shall not be responsible to any Secured Party for the due execution, legality, validity, enforceability, effectiveness, genuineness, sufficiency or value of, or the attachment, perfection or priority of any Lien created or purported to be created under or in connection with, any Loan Document;

(iii) makes no warranty or representation, and shall not be responsible, to any Secured Party for any statement, document, information, representation or warranty made or furnished by or on behalf of any Related Party or any Credit Party in connection with any Loan Document or any transaction contemplated therein or any other document or information with respect to any Credit Party, whether or not transmitted or (except for documents expressly required under any Loan Document to be transmitted to the Lenders) omitted to be transmitted by the Administrative Agent, including as to completeness, accuracy, scope or adequacy thereof, or for the scope, nature or results of any due diligence performed by the Administrative Agent in connection with the Loan Documents; and

(iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any provision of any Loan Document, whether any condition set forth in any Loan Document is satisfied or waived, as to the financial condition of any Credit Party or as to the existence or continuation or possible occurrence or continuation of any Default or Event of Default and shall not be deemed to have notice or knowledge of such occurrence or continuation unless it has received a notice from the Borrower, any Lender or Issuing Bank describing such Default or Event of Default clearly labeled "notice of default" (in which case the Administrative Agent shall promptly give notice of such receipt to all Lenders);

and, for each of the items set forth in clauses (i) through (iv) above, each Lender, Issuing Bank, Holdings and the Borrower hereby waives and agrees not to assert (and each of Holdings and the Borrower shall cause each other Credit Party to waive and agree not to assert) any right, claim or cause of action it might have against the Administrative Agent based thereon.

Section 9.06 Administrative Agent Individually. The Administrative Agent and its Affiliates may make loans and other extensions of credit to acquire Equity Interests, engage in any kind of business with, any Credit Party or Affiliate thereof as though it were not acting as Administrative Agent and may receive separate fees and other payments therefor. To the extent the Administrative Agent or any of its Affiliates makes any Loan or otherwise becomes a Lender hereunder, it shall have and may exercise the same rights and powers hereunder and shall be subject to the same obligations and liabilities as any other Lender and the terms “Lender”, “Revolving Lender”, “Term Loan Lender”, “Required Lender” and “Required Revolving Lender” and any similar terms shall, except where otherwise expressly provided in any Loan Document, include, without limitation, the Administrative Agent or such Affiliate, as the case may be, in its individual capacity as Lender, Revolving Lender, Term Loan Lender or as one of the Required Lenders or Required Revolving Lenders respectively.

Section 9.07 Lender Credit Decision. Each Lender and each Issuing Bank acknowledges that it shall, independently and without reliance upon the Administrative Agent, any Lender or Issuing Bank or any of their Related Parties or upon any document (including the Information) solely or in part because such document was transmitted by the Administrative Agent or any of its Related Parties, conduct its own independent investigation of the financial condition and affairs of each Credit Party and make and continue to make its own credit decisions in connection with entering into, and taking or not taking any action under, any Loan Document or with respect to any transaction contemplated in any Loan Document, in each case based on such documents and information as it shall deem appropriate. Except for documents expressly required by any Loan Document to be transmitted by the Administrative Agent to the Lenders or Issuing Banks, the Administrative Agent shall not have any duty or responsibility to provide any Lender or Issuing Bank with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Credit Party or any Affiliate of any Credit Party that may come in to the possession of the Administrative Agent or any of its Related Parties.

Section 9.08 Expenses, Indemnification.

(a) Each Lender agrees to reimburse the Administrative Agent and each of its Related Parties (to the extent not reimbursed by any Credit Party) promptly upon demand for such Lender’s pro rata share with respect to the Commitments of any costs and expenses (including fees, charges and disbursements of financial, legal and other advisors and Other Taxes paid in the name of, or on behalf of, any Credit Party) that may be incurred by the Administrative Agent or any of its Related Parties in connection with the preparation, syndication, execution, delivery,

administration, modification, consent, waiver or enforcement of, or the taking of any other action (whether through negotiations, through any work-out, bankruptcy, restructuring or other legal or other proceeding (including without limitation, preparation for and/or response to any subpoena or request for document production relating thereto) or otherwise) in respect of, or legal advice with respect to its rights or responsibilities under, any Loan Document.

(b) Each Lender further agrees to indemnify the Administrative Agent and each of its Related Parties (to the extent not reimbursed by any Credit Party), from and against such Lender's aggregate pro rata share with respect to the liabilities (including to the extent not indemnified pursuant to Section 9.08(c), taxes, interests and penalties imposed for not properly withholding or backup withholding on payments made to on or for the account of any Lender) that may be imposed on, incurred by or asserted against the Administrative Agent or any of its Related Parties in any matter relating to or arising out of, in connection with or as a result of any Loan Document, any other Transaction Document or any other act, event or transaction related, contemplated in or attendant to any such document, or, in each case, any action taken or omitted to be taken by the Administrative Agent or any of its Related Parties under or with respect to any of the foregoing; provided, however, that no Lender shall be liable to the Administrative Agent or any of its Related Parties to the extent such liability has resulted primarily from the gross negligence or willful misconduct of the Administrative Agent or, as the case may be, such Related Party, as determined by a court of competent jurisdiction in a final non-appealable judgment or order.

(c) To the extent required by any applicable Requirements of Law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If any payment is made to any Lender by the Administrative Agent without the applicable withholding Tax being withheld from such payment and the Administrative Agent has paid over the applicable withholding Tax to the IRS or any other Governmental Authority, or the Internal Revenue Service or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify the Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including any penalties or interest and together with all expenses (including legal expenses, allocated internal costs and out-of-pocket expenses) incurred. The Administrative Agent may offset against any payment to any Lender under a Loan Document, any applicable withholding Tax that was required to be withheld from any prior payment to such Lender but which was not so withheld, as well as any other amounts for which the Administrative Agent is entitled to indemnification from such Lender under this Section 9.08(c).

#### Section 9.09 Resignation of Administrative Agent or Issuing Bank.

(a) The Administrative Agent may resign as Administrative Agent (which resignation shall also be effective in respect of its role as Collateral Agent unless the Administrative Agent otherwise agrees in writing) at any time by delivering notice of such resignation to the Lenders and the Borrower, effective on the date set forth in such notice or, if no



such date is set forth therein, upon the date such notice shall be effective in accordance with the terms of this Section 9.09 provided that any such notice provided by the Administrative Agent shall provide for at least ten (10) Business Days prior notice of such resignation unless the Borrower shall expressly consent in writing to a shorter notice period in its sole discretion. If the Administrative Agent delivers any such notice, the Required Lenders shall have the right to appoint a successor Administrative Agent and Collateral Agent, if applicable, which is not a Disqualified Institution, which shall be a bank with an office in the United States and having capital surplus aggregating in excess of \$3,000,000, or an Affiliate of any such bank with an office in the United States, with any prohibited appointment to be absolutely void *ab initio*. If after 30 days after the date of the retiring Administrative Agent's notice of resignation, no successor Administrative Agent and Collateral Agent, if applicable, has been appointed by the Required Lenders and consented to by the Borrower that has accepted such appointment, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent and Collateral Agent, if applicable. Each appointment under this clause (a) shall be subject to the prior consent of the Borrower, which may not be unreasonably withheld but shall not be required during the continuance of a Default or Event of Default under (x) on or prior to June 30, 2021, under Section 8.01(a), (b), (d) (solely with respect to the failure to comply with Section 6.08), (g), or (h) and (y) after June 30, 2021, under Section 8.01(a), (b), (g), or (h).

(b) Effective immediately upon its resignation, (i) the retiring Administrative Agent shall be discharged from its duties and obligations under the Loan Documents, (ii) the Lenders shall assume and perform all of the duties of the Administrative Agent until a successor Administrative Agent shall have accepted a valid appointment hereunder, (iii) the retiring Administrative Agent and its Related Parties shall no longer have the benefit of any provision of any Loan Document other than with respect to any actions taken or omitted to be taken while such retiring Administrative Agent was, or because such Administrative Agent had been, validly acting as Administrative Agent under the Loan Documents and (iv) subject to its rights under Section 9.03, the retiring Administrative Agent shall take such action as may be reasonably necessary to assign to the successor Administrative Agent its rights as Administrative Agent and Collateral Agent, if applicable, under the Loan Documents. Effective immediately upon its acceptance of a valid appointment as Administrative Agent, a successor Administrative Agent shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring Administrative Agent under the Loan Documents.

(c) Any Issuing Bank may resign at any time by delivering notice of such resignation to the Administrative Agent, effective on the date set forth in such notice or, if no such date is set forth therein, on the date such notice shall be effective. Upon such resignation, the Issuing Bank shall remain an Issuing Bank and shall retain its rights and obligations in its capacity as such (other than any obligation to issue Letters of Credit but including the right to receive fees or to have Lenders participate in any Reimbursement Obligation thereof) with respect to Letters of Credit issued by such Issuing Bank prior to the date of such resignation and shall otherwise be discharged from all other duties and obligations as an Issuing Bank (but not in any other capacity) under the Loan Documents.

Section 9.10 Release or Subordination of Collateral or Guarantors; Entry into Intercreditor Agreements. Each Lender and Issuing Bank hereby consents to the automatic release provisions contained in this Agreement and the other Loan Documents and hereby directs the Administrative Agent to do the following:

(a) release any Subsidiary Guarantor from its guaranty of any Obligation of any Credit Party in accordance with Section 7.09 (including, for the avoidance of doubt, if all of the Equity Interests of such Subsidiary Guarantor owned by any Credit Parties are sold in a sale permitted under the Loan Documents (including pursuant to a waiver or consent), to the extent that, after giving effect to such sale, such Subsidiary Guarantor would not be required to guaranty any Secured Obligations pursuant to Section 5.10);

(b) release or, in the case of clause (ii), release or subordinate, any Lien held by the Collateral Agent for the benefit of the Secured Parties against (i) any Collateral that is sold or otherwise disposed of by a Credit Party in a sale or disposition permitted by the Loan Documents (including pursuant to a valid waiver or consent), to the extent all Liens required to be granted in such Collateral pursuant to Section 5.10 after giving effect to such sale or disposition have been granted (and the Collateral Agent may rely conclusively on a certificate to that effect provided by any Credit Party upon its reasonable request without further inquiry), (ii) any property subject to a Lien permitted hereunder in reliance upon Section 6.02 to the extent required by the documents evidencing such Lien, (iii) all of the Collateral and all Credit Parties, in the case of this clause (iii) upon the Payment in Full of the Obligations, (iv) in connection with the designation of any Restricted Subsidiary as an Unrestricted Subsidiary as permitted hereunder (including, in connection with the property of such Unrestricted Subsidiary or the Equity Interests thereof), (v) any Collateral to the extent such Collateral is comprised of property leased to a Credit Party, upon termination or expiration of such lease, (vi) any Collateral if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other percentage of the Lenders whose consent may be required in accordance with Section 10.02), (vii) any Collateral as required to effect any sale or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Loan Documents, or (viii) any Property if such Property constitutes Excluded Property;

(c) subordinate any Lien on any property granted to or held by the Administrative Agent or Collateral Agent under any Loan Document to the holder of any Lien on such property that is expressly permitted to be senior to the Liens securing the Secured Obligations pursuant to Section 6.02;

(d) release any Guarantor from its obligations under the Guarantee if such Person ceases to be a Restricted Subsidiary as a result of a transaction permitted under the Loan Documents; and

(e) enter into any Intercreditor Agreement or other subordination agreement it deems reasonable in connection with any refinancing notes (including, without limitation, Permitted Pari Passu Refinancing Debt, Permitted Junior Refinancing Debt and Permitted Unsecured Refinancing Debt), or other obligations permitted hereunder, and that if any such Intercreditor Agreement or other subordination agreement is posted to the Lenders three (3) Business Days before being executed and the Required Lenders shall not have objected to such Intercreditor Agreement or other subordination agreement, the Required Lenders shall be deemed to have agreed that the Administrative Agent's or the Collateral Agent's entry into such Intercreditor Agreement or other subordination agreement is reasonable and to have consented to such Intercreditor Agreement or other subordination agreement and such Agent's execution thereof.

Each Lender and Issuing Bank hereby directs the Administrative Agent, and the Administrative Agent hereby agrees, upon receipt of reasonable advance notice from the Borrower, to execute and deliver or file such documents and to perform other actions reasonably necessary to release the guaranties, Liens or Guarantors, as applicable, when and as directed in this Section 9.10. Any such release shall not in any manner discharge, affect or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Credit Parties in respect of) all interests retained by the Credit Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral (to the extent otherwise applicable pursuant to the terms of the Loan Documents, and for the avoidance of doubt other than in the case of any Excluded Property) except to the extent otherwise released in accordance with the provisions of the Loan Documents. Additionally, the Lenders hereby irrevocably agree that any Restricted Subsidiary that is a Guarantor shall be released from the Guarantees upon consummation of any transaction not prohibited by this Agreement resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary or upon becoming an Excluded Subsidiary. The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as applicable, to, and the Administrative Agent and the Collateral Agent agree to, execute and deliver any instruments, documents and agreements necessary or desirable or reasonably requested by the Borrower to evidence and confirm the release of any Guarantor or Collateral pursuant to the foregoing provisions of this Section 9.10, all without the further consent or joinder of any Lender and without any representation or warranty of any such Agent or Lender.

Section 9.11 Additional Secured Parties. The benefit of the provisions of the Loan Documents directly relating to the Collateral or any Lien granted thereunder shall extend to and be available to any Secured Party that is not a Lender or Issuing Bank as long as, by accepting such benefits, such Secured Party agrees, as among the Administrative Agent and all other Secured Parties, that such Secured Party is bound by (and, if requested by the Administrative Agent, (except in the case of Secured Hedging Agreement counterparties) shall confirm such agreement in a writing in form and substance acceptable to the Administrative Agent) this Article IX, Section 10.09, Section 2.14(d) and Section 10.13 and the decisions and actions of the Administrative Agent and the Required Lenders (or, where expressly required by the terms of this Agreement, a greater proportion of the Lenders) to the same extent a Lender is bound; provided, however, that, notwithstanding the foregoing, (a) such Secured Party shall be bound by Section 9.08 only to the extent of liabilities, costs and expenses with respect to or otherwise relating to the Collateral held for the benefit of such Secured Party, in which case the obligations of such Secured Party thereunder shall not be limited by any concept of pro rata share or similar concept, (b) except as set forth specifically herein, each of the Administrative Agent, the Lenders and the Issuing Banks shall be entitled to act at its sole discretion, without regard to the interest of such Secured Party, regardless of whether any Obligation to such Secured Party thereafter remains outstanding, is deprived of the benefit of the Collateral, becomes unsecured or is otherwise affected or put in jeopardy thereby, and without any duty or liability to such Secured Party or any such Obligation and (c) except as set forth specifically herein, such Secured Party shall not have any right to be notified of, consent to, direct, require or be heard with respect to, any action taken or omitted in respect of the Collateral or under any Loan Document.

Section 9.12 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable, and the conditions of such exemption have been satisfied, with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of any performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, the Borrower and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and the Commitment Parties and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit Party, that:

(i) none of the Administrative Agent and the Commitment Parties or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender used in connection with the Loans, the Letters of Credit or the Commitments (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto),

(ii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least \$50 million, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E),

(iii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the Obligations),

(iv) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Letters of Credit, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

(v) no fee or other compensation is being paid directly to the Administrative Agent and the Commitment Parties or any their respective Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Letters of Credit, the Commitments or this Agreement.

(c) The Administrative Agent and each of the Commitment Parties hereby informs the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

(d) Notwithstanding any provision herein, Section 9.12 of this Agreement shall not apply to the extent that the regulations under Section 3(21) of ERISA issued by the U.S. Department of Labor on April 8, 2016 are rescinded or otherwise revoked, repealed or no longer effective.

**ARTICLE X  
MISCELLANEOUS**

Section 10.01 Notices.

(a) Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in clause (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier or electronic mail as follows:

if to any Credit Party, to the Borrower at:

Integral Ad Science, Inc.  
95 Morton Street, 8th Floor  
New York New York 10014  
Attn: Jane Rode  
Fax: (646) 219-2407  
Email: jrode@integralads.com

with a copy to (which shall not constitute notice):

Vista Equity Partners Fund VI, L.P.  
c/o Vista Equity Partners Management, LLC  
Four Embarcadero Center, 20th Floor  
San Francisco, CA 94111  
Attention: David Breach and Maneet Saroya  
Fax: (415) 655-6666  
Email: DBreach@vistaequitypartners.com  
msaroya@vistaequitypartners.com

and (which shall not constitute notice):

Kirkland & Ellis LLP  
555 California Street, Suite 2700  
San Francisco, CA 94104  
Attention: Sonali Jindal  
Fax: (415) 439-1500  
Email: sjindal@kirkland.com

if to the Administrative Agent or the Collateral Agent at:

Goldman Sachs BDC, Inc.  
200 West Street  
New York, NY 10282  
Attention: Andrew Snow  
Phone: (212) 357-1753  
Email: andrew.snow@gs.com

with a copy to (which shall not constitute notice):

Goldman Sachs BDC, Inc.  
225 W. Washington Street, 9th Floor  
Chicago, Illinois 60606  
Attn: Goldman Sachs – Agency Services  
Phone: (800) 963-2142  
Email: goldman@gsloanagent.com  
And

Latham & Watkins LLP  
355 South Grand Ave., Suite 100  
Attention: Greg Robins  
Phone: (213) 891-8850  
Email: Greg.Robins@lw.com

if to a Lender, to it at its address (or telecopier number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, they shall be deemed to have been given at the opening of business on the next Business Day for the recipient); notices sent by electronic mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); *provided* that if such notice or other communication is not sent by 6:00 p.m. New York City time on a Business Day for the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient. Notices delivered through electronic communications (other than electronic mail) to the extent provided in clause (b) below, shall be effective as provided in said clause (b). Any party hereto may change its address or telecopier number or electronic mail address for notices and other communications hereunder by written notice to the Borrower, the Agents, the Issuing Bank and the Lender.

(b) Electronic Communications. Notices and other communications to the Lenders and the Issuing Bank hereunder may (subject to Section 10.01(d)) be delivered or furnished by electronic communication (excluding electronic mail (which is covered above) in clause (a), e-mail but including Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to notices to any Lender or the Issuing Bank pursuant to Article II if such Lender or the Issuing Bank, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, the Collateral Agent or the Borrower may agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it (including as set forth in Section 10.01(d)); *provided* that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its electronic mail address as described in the foregoing clause (a), of notification that such notice or communication is available and identifying the website address therefor.

(c) Change of Address, etc. Any party hereto may change its address or telecopier number or electronic mail address for notices and other communications hereunder by written notice to the other parties hereto.

(d) Posting. Each Credit Party hereby agrees that it will provide to the Administrative Agent all information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to this Agreement and any other Loan Document, including all notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any such communication (unless otherwise approved in writing by the Administrative Agent) that (i) relates to a request for a new, or a conversion of an existing, Borrowing or other extension of credit (including any election of an interest rate or interest period relating thereto), (ii) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (iii) provides a Notice of Intent to Cure, (iv) provides notice of any Default under this Agreement or (v) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any borrowing or other extension of credit hereunder (all such non-excluded communications, collectively, the “**Communications**”), by transmitting the Communications in an electronic/soft medium in a format reasonably acceptable to the Administrative Agent at such e-mail address(es) provided to the Borrower from time to time or in such other form, including hard copy delivery thereof, as the Administrative Agent shall require. In addition, each Credit Party agrees to continue to provide the Communications to the Administrative Agent in the manner specified in this Agreement or any other Loan Document or in such other form, including hard copy delivery thereof, as the Administrative Agent shall reasonably request. Nothing in this Section 10.01 shall prejudice the right of the Agents, any Lender or any Credit Party to give any notice or other communication pursuant to this Agreement or any other Loan Document in any other manner specified in this Agreement or any other Loan Document or as any such Agent shall require.

(e) Platform. Each Credit Party further agrees that any Agent may make the Communications available to the Lenders by posting the Communications on IntraLinks or SyndTrak or a substantially similar secure electronic transmission system (the “**Platform**”). The Platform is provided “as is” and “as available.” The Agents do not warrant the accuracy or



completeness of the Communications, or the adequacy of the Platform and expressly disclaim liability for errors or omissions in the communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by any Agent in connection with the Communications or the Platform. In no event shall any Agent or any of its Related Parties have any liability to the Credit Parties, any Lender or any other person for damages of any kind, including direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Credit Party's or such Agent's transmission of communications through the Internet, except to the extent the liability of such person is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted from such person's bad faith, gross negligence or willful misconduct.

(f) Public/Private. (i) Each Credit Party hereby authorizes the Administrative Agent to distribute (A) to Public Siders all Communications that the Borrower identifies in writing as containing no MNPI ("**Public Side Communications**"), and the Borrower represents and warrants that no such Public Side Communications contain any MNPI, and, at the reasonable written request of the Administrative Agent, the Borrower shall use commercially reasonable efforts to identify Public Side Communications by clearly and conspicuously marking the same as "PUBLIC"; and (B) to Private Siders all Communications other than Public Side Communications (such Communications, "**Private Side Communications**"). The Borrower agrees to designate as Private Side Communications only those Communications or portions thereof that it reasonably believes in good faith constitute MNPI, and agrees to use all commercially reasonable efforts not to designate any Communications provided under Section 5.01(a), (b) and (c) as Private Side Communications. "**Private Siders**" shall mean Lenders' employees and representatives who have declared that they are authorized to receive MNPI. "**Public Siders**" shall mean Lenders' employees and representatives who have not declared that they are authorized to receive MNPI; it being understood that Public Siders may be engaged in investment and other market-related activities with respect to the Borrower's or its Affiliates' securities or loans. "**MNPI**" shall mean material non-public information (within the meaning of United States federal securities laws assuming that Holdings is a public reporting company under federal securities laws (regardless of whether Holdings is actually a public reporting company under federal securities laws)) with respect to Holdings, its Affiliates, its Subsidiaries and any of their respective securities.

(ii) Each Lender acknowledges that United States federal and state securities laws prohibit any person from purchasing or selling securities on the basis of material, non-public information concerning the issuer of such securities or, subject to certain limited exceptions, from communicating such information to any other person. Each Lender confirms that it has developed procedures designed to ensure compliance with these securities laws.

(iii) Each Lender acknowledges that circumstances may arise that require it to refer to Communications that may contain MNPI. Accordingly, each Lender agrees that it will use commercially reasonable efforts to designate at least one individual to receive Private Side Communications on its behalf in compliance with its procedures and applicable Requirements of Law and identify such designee (including such designee's contact information) on such Lender's Administrative Questionnaire. Each Lender agrees to notify the Administrative Agent in writing from time to time of such Lender's designee's e-mail address to which notice of the availability of Private Side Communications may be sent by electronic transmission.

Section 10.02 Waivers; Amendment.

(a) Generally. No failure or delay by any Agent, the Issuing Bank or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of each Agent, the Issuing Bank and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Credit Party therefrom shall in any event be effective unless the same shall be permitted by this Section 10.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default or Event of Default, regardless of whether any Agent, any Lender or the Issuing Bank may have had notice or knowledge of such Default at the time. No notice or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances.

(b) Required Consents. Subject to Sections 10.02(c), (d), (e) and (g) neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended, supplemented or modified except, in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by the Borrower and the Administrative Agent or, in the case of any other Loan Document (other than the Fee Letter, which may be amended in accordance with its terms), pursuant to an agreement or agreements in writing entered into by the Administrative Agent, the Collateral Agent (in the case of any Security Document) and the Credit Party or Credit Parties that are party thereto, in each case with the written consent of the Required Lenders; *provided* that no such agreement shall be effective if the effect thereof would be to:

(i) increase the Commitment of any Lender without the written consent of such Lender (but not, for the avoidance of doubt, the Required Lenders) (other than with respect to any Incremental Facilities to which such Lender has agreed) (it being understood that no amendment, modification, termination, waiver or consent with respect to any condition precedent, covenant, mandatory prepayment or Default or Event of Default shall constitute an increase in the Commitment of any Lender);

(ii) reduce the principal amount of or premium, if any, on any Loan or LC Disbursement or reduce the rate of interest thereon (but excluding any waiver of the imposition of the Default Rate, including any provision establishing a minimum rate (other than any waiver, extension or reduction of interest pursuant to Section 2.06(c) or any waivers or extensions of mandatory prepayments or commitment reduction or any prepayment premiums or, for the avoidance of doubt, waivers of the provisions of Section 2.20(f) (*provided* that any change in the definition of any ratios used in calculating any interest rate or fee (or any component definition thereof) shall not constitute a reduction in any rate of interest or fee) or waivers of conditions precedent or, for the avoidance of doubt,

waivers of the provisions of Section 2.20(f)), or reduce or waive any fees (including any Fees or any prepayment fee or premium) payable hereunder, without the written consent of each Lender directly and adversely affected thereby but not the Required Lenders (it being understood that any amendment or modification to the financial definitions in this Agreement shall not constitute a reduction in the rate of interest for purposes of this clause (ii));

(iii) (A) extend the scheduled final maturity of any Term Loan, or any scheduled date of payment of principal amount of any Term Loan under Section 2.09 (other than, for the avoidance of doubt, any mandatory prepayment) except in accordance with Section 2.20, Section 2.21 and Section 2.22, (B) postpone the date for payment of any Reimbursement Obligation or any interest, premium or fees payable hereunder (other than waivers of default interest, Defaults or Events of Default, waivers or extension of any mandatory prepayments or default interest or, for the avoidance of doubt, waivers of the provisions of Section 2.20(f)), or (C) postpone the scheduled date of expiration of any Revolving Commitment or any Letter of Credit or date of repayment of any Revolving Loans or Letter of Credit, in each case, beyond the Revolving Maturity Date except in accordance with Section 2.18(c), Section 2.20, Section 2.21, and Section 2.22, as applicable, in any case, without the written consent of each Lender directly and adversely affected thereby (but not the Required Lenders); provided, that waivers of any condition precedent shall not constitute an extension of maturity date;

(iv) release Holdings, Intermediate Holdings or the Borrower or release all or substantially all of the value of the Subsidiary Guarantors from their Guarantee (except as expressly provided in Article IX), without the written consent of each Lender;

(v) release all or substantially all of the Collateral from the Liens created by the Security Documents or subordinate such Liens on all or substantially all of the Collateral without the written consent of each Lender (except as otherwise expressly permitted hereby or by the Security Documents; *provided* that, for the avoidance of doubt, any transaction permitted under Section 6.04 or Section 6.05 shall not be subject to this clause (iii)) to the extent such transaction does not result in the release of all or substantially all of the Collateral;

(vi) change any provision of this Section 10.02(b) that has the effect of decreasing the number of Lenders that must approve any amendment, modification or waiver (or, the approval of any Agent or Issuing Bank), without the written consent of each Lender;

(vii) change the percentage set forth in the definition of "Required Lenders," "Required Revolving Lenders" or any other provision of any Loan Document (including this Section) specifying the number or percentage of Lenders (or Lenders of any Class) required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder without the written consent of each Lender (or each Lender of such Class, as the case may be), other than to increase such percentage or number or to give any Additional Lender or group of Lenders such right to waive, amend or modify or make any such determination or grant any such consent;

(viii) change or waive any provision of Article IX as the same applies to any Agent, or any other provision hereof as the same applies to the rights or obligations of any Agent, in each case without the written consent of such Agent;

(ix) change or waive any obligation of the Lenders relating to the issuance of or purchase of participations in Letters of Credit, without the written consent of the Administrative Agent and the Issuing Bank;

(x) make any change or amendment including without limitation, any amendment of this Section 10.02(b)(x) which shall unless in writing and signed by the Issuing Bank in addition to the Lenders required above, adversely affect the rights or duties of the Issuing Bank under this Agreement or any document relating to any Letter of Credit issued or to be issued by it; or

(xi) amend or modify (A) the definition of “Pro Rata Percentage” or any pro rata sharing provisions contained herein, or (B) the “waterfall” that applies following enforcement of the Loan Documents pursuant to Section 8.02, in each case without the written consent of each Lender directly and adversely affected thereby;

*provided, further*, that notwithstanding the foregoing, this Agreement may be amended to make any change that by its terms only affects the rights and duties of Lenders holding Loans or Commitments of a particular Class (and not Lenders holding the Loans or Commitments of any other Class) with the consent of the Lenders holding the relevant Loans or Commitments voting as if such Class were the only Class hereunder.

Notwithstanding anything herein to the contrary, (I) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except to the extent the consent of such Lender would be required under clause (i), (ii) or (iii) in the first proviso to the first sentence of this Section 10.02(b) and, but only to the extent that any such matter disproportionately affects such Defaulting Lender, clauses (iv) or (v) of such proviso (and any such Defaulting Lender shall be excluded from the calculation of any requisite voting percentage by excluding the Defaulting Lender (and all Loans or Commitments held thereby from both the numerator and the denominator of the applicable calculation), (II) this Agreement and any other Loan Document may be amended, modified or supplemented solely with the consent of the Administrative Agent (or the Collateral Agent, as applicable) and the Borrower, each in their sole discretion, without the need to obtain the consent of any other Lender if such amendment, modification or supplement is delivered in order to (w) cure ambiguities, defects, errors, mistakes, omissions in this Agreement or the applicable Loan Document, (x) add terms that are favorable to the Lenders (as reasonably determined by the Administrative Agent) in connection with an Incremental Facility or Credit Agreement Refinancing Indebtedness, (y) create a fungible Class of Term Loans (including by increasing (but, for the avoidance of doubt, not by decreasing) the amount of amortization due and payable with respect to any Class of Term Loan) or (z), in the case of any applicable Intercreditor Agreement (or any other intercreditor agreement and/or subordination agreement pursuant to, or contemplated by, the terms of this Credit Agreement (including with respect to Indebtedness permitted pursuant to Section 6.01 and defined terms referenced therein)), if such amendment relates to Obligations other than the Obligations hereunder, or to grant a new Lien for the benefit of the Secured Parties or extend an Existing Lien

over additional property and (III) this Agreement and the other Loan Documents may be amended, modified or supplemented solely with the consent of the Administrative Agent (or the Collateral Agent, as applicable) and the Borrower in order to give effect to the appointment of an Additional Borrower in accordance with Section 2.23.

Any waiver, amendment, supplement or modification in accordance with this Section 10.02 shall apply equally to each of the affected Lenders and shall be binding upon Holdings, Intermediate Holdings, the Borrower, the Subsidiary Guarantors, all Lenders, the Administrative Agent, the Collateral Agent and all future holders of the affected Loans. In the case of any waiver in accordance with this Section 10.02, Holdings, Intermediate Holdings, the Borrower, the Subsidiary Guarantors, the Lenders, the Administrative Agent and the Collateral Agent shall be restored to their former positions and rights hereunder and under the other Loan Documents, and any Default or Event of Default so waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender.

(c) Collateral.

(i) Without the consent of any other person, but subject to the terms of any applicable Intercreditor Agreement, the applicable Credit Party or Credit Parties and the Administrative Agent and/or Collateral Agent may (in its or their respective sole discretion, or shall, to the extent required by any Loan Document) enter into any amendment or waiver of any Loan Document, or enter into any new agreement or instrument, to effect the granting, perfection, protection, expansion (including to cover additional amounts as secured obligations thereunder) or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, or as required by local law to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable Requirements of Law.

(ii) Notwithstanding anything in this Agreement or any Security Document to the contrary, the Administrative Agent and/or, as applicable, the Collateral Agent may, in its sole discretion, grant extensions of time for the satisfaction of any of the requirements under Sections 5.10 and 5.11 or of any Security Document in respect of any particular Collateral or any particular Subsidiary if it determines that the satisfaction thereof with respect to such Collateral or such Subsidiary cannot be accomplished without undue expense or unreasonable effort or due to factors beyond the control of Holdings, the Borrower and the Restricted Subsidiaries by the time or times at which any such requirement would otherwise be required to be satisfied under this Agreement or any Security Document.

(iii) The Lenders hereby irrevocably agree that the Liens granted to the Collateral Agent by the Credit Parties on any Collateral shall be automatically released (i) in full, upon the Payment in Full of the Obligations, (ii) upon the sale or other disposition of such Collateral to any Person other than another Credit Party, to the extent

such sale or other disposition is made in compliance with the terms of this Agreement (and the Collateral Agent may rely conclusively on a certificate to that effect provided by any Credit Party upon its reasonable request without further inquiry), (iii) to the extent such Collateral is comprised of property leased to a Credit Party, upon termination or expiration of such lease, (iv) if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other percentage of the Lenders whose consent may be required in accordance with this [Section 10.02](#)), (v) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the applicable Guarantee (in accordance with the final paragraph of [Section 9.10](#)), (vi) as required to effect any sale or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents, or (vii) if such assets constitute Excluded Property.

(d) Certain Other Amendments. Notwithstanding anything in this Agreement (including, without limitation, this [Section 10.02](#)) or any other Loan Document to the contrary, (i) this Agreement and the other Loan Documents may be amended to effect an Incremental Amendment, Refinancing Amendment or Extension Amendment pursuant to [Sections 2.20](#), [2.21](#) or [2.22](#) (and the Administrative Agent and the Borrower may effect such amendments to this Agreement and the other Loan Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the terms of any such Incremental Amendment, Refinancing Amendment or Extension Amendment), (ii) the Loan Documents may be amended to add syndication or documentation agents and make customary changes and references related thereto with the consent of only the Borrower and the Administrative Agent and (iii) any condition precedent to any Borrowing of Revolving Loans may be waived by the Required Revolving Lenders and, in the case of the issuance of a Letter of Credit, the Issuing Bank, and, for the avoidance of doubt, waivers by no other Lender (or the Required Lenders) shall be required.

(e) Non-Consenting Lenders. The Borrower may, at its sole expense and effort, upon notice to a Non-Consenting Lender and the Administrative Agent, require such Lender to (i) be paid off in full for all of its Loans and interest due related thereto and relinquish all rights it has under the Loan Documents, or to (ii) assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, [Section 10.04](#)), all of its interests, rights (other than its existing rights to payments pursuant to [Sections 2.15](#) and [2.16](#)) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment, or, solely in the case of Term Loans, Holdings or the Borrower (in which case such Term Loans shall, after such assignment, be immediately deemed cancelled for all purposes and no longer outstanding (and may not be resold) for all purposes of this Agreement and the other Loan Documents) or any Affiliated Debt Fund); *provided* that, in the case of this [clause \(ii\)](#), (1) the Borrower shall have paid to the Administrative Agent (unless waived by the Administrative Agent) the assignment fee (if any) specified in [Section 10.04\(b\)](#); (2) such Lender shall have received payment of an amount equal to the outstanding principal (including any accrued and unpaid PIK Interest, which shall be added to the principal balance thereof on the date of such assignment as if such date was a PIK Interest Payment Date) of its Loans and participations in LC Disbursements, accrued interest thereon (other than accrued and unpaid PIK Interest), accrued fees and all other amounts payable (including any amount pursuant to [Section 2.10\(j\)](#)) to it hereunder in connection

with any prepayment of its Loans and under the other Loan Documents from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts); (3) such assignment does not conflict with applicable Law; and (4) the applicable assignee shall have consented to the applicable amendment, waiver or consent. A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

(f) Additional Credit Facilities. Subject to Sections 2.21 and 2.22 hereof, this Agreement may be amended (or amended and restated) (i) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents and (ii) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders on substantially the same basis as the Lenders prior to such inclusion.

Section 10.03 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrower shall pay, promptly following written demand therefor (including documentation to reasonably support such request): (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, the Collateral Agent and their respective Affiliates (including the reasonable and documented out-of-pocket fees, charges and disbursements of one (1) counsel to the Administrative Agent, the Collateral Agent and their respective Affiliates, taken as a whole (plus one (1) additional counsel desirable due to actual or reasonably perceived potential conflicts of interest among such parties), plus, if reasonably necessary, the reasonable fees, charges and disbursements of one (1) local counsel per relevant material jurisdiction (which may include a single special counsel acting in multiple jurisdictions) plus one (1) additional counsel desirable due to actual or reasonably perceived potential conflicts of interest among such parties)) in connection with the preparation, negotiation, execution, delivery, filing and administration of this Agreement including any expenses incurred as a result of trades not permitted by Section 10.04 and the other Loan Documents and any amendment, amendment and restatement, modification or waiver of the provisions hereof or thereof, including in connection with post-closing searches to confirm that security filings and recordations have been properly made, (ii) all reasonable and documented out-of-pocket expenses incurred by any Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder, (iii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, the Collateral Agent, any Lender or any Issuing Bank (including the reasonable and documented out-of-pocket fees, charges and disbursements of any one (1) counsel to the Administrative Agent, the Collateral Agent, the Lenders and the Issuing Bank, taken as a whole (plus one (1) additional counsel desirable due to actual or reasonably perceived potential conflicts of interest among such parties), plus, if reasonably necessary, the reasonable and documented out-of-pocket fees, charges and disbursements of one (1) local counsel per relevant material jurisdiction (plus one (1) additional counsel desirable due to actual or reasonably perceived potential conflicts of interest among such parties) and consultants for the Administrative Agent, the Collateral Agent, the Lenders and any Issuing Bank, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 10.03, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit and (iv) all Other Taxes, as provided in Section 2.15.

(b) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), the Collateral Agent (and any sub-agent thereof), each Lender, each Commitment Party, each Issuing Bank and each Related Party of any of the foregoing persons (each such person being called an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all actual and direct losses (other than lost profits), claims, damages, liabilities and related reasonable and documented out-of-pocket expenses (including the reasonable and documented out-of-pocket fees and reasonable out-of-pocket expenses of one (1) counsel for all Indemnitees (plus one (1) additional counsel desirable due to actual or reasonably perceived potential conflicts of interest among the Indemnitees) plus, if reasonably necessary, the reasonable and documented out-of-pocket fees and expenses of one (1) local counsel per relevant material jurisdiction (plus one (1) additional counsel desirable due to actual or reasonably perceived potential conflicts of interest among such parties) and, upon the Borrower’s prior written consent (not to be unreasonably withheld), consultants or third party advisors (but excluding allocated costs of in-house counsel) incurred by any Indemnitee or asserted against any Indemnitee by any party hereto or any third party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document, or any amendment, amendment and restatement, modification or waiver of the provisions hereof or thereof, or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or Release or threatened Release of Hazardous Materials on, at, under or from any Real Property or facility now or hereafter owned, leased or operated by any Group Member at any time, or any Environmental Claim related in any way to any Group Member, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Credit Party, and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (y) arise out of actions taken or omissions to act by such Indemnitee in its capacity as (A) financial advisor to the Sponsor or Holdings in connection with the Closing Date Acquisition or any other potential acquisition of IAS or (B) a co-investor in the Transactions or in any potential acquisition of IAS, (w) are determined by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the bad faith, gross negligence or willful misconduct of any Indemnitee or (to the extent involved in or aware of the Transactions) any of its Related Parties, (x) result from a claim brought by the Borrower or any other Credit Party against an Indemnitee for material breach of such Indemnitee’s obligations hereunder or under any other Loan Document, if the Borrower or such other Credit Party has obtained a final non-appealable judgment in its favor on such claim as determined by a court of competent jurisdiction, (y) arises from disputes arising solely among indemnified persons that do not involve any act or omission by any Group Member or its Affiliates and are unrelated to any dispute involving, or any claim by, an Agent, any Lender or Secured Party against any Group Member or its Affiliates, or (z) are payable as a result of a



settlement agreement related to the foregoing effected without the written consent of the Borrower (which consent shall not to be unreasonably withheld or delayed) (in the case of this clause (z)) (for the avoidance of doubt, if settled with the Borrower's written consent, or if there is a final judgment for the plaintiff against an Indemnitee in any proceeding, the Borrower shall indemnify and hold harmless each Indemnitee to the extent and in the manner set forth above); *provided, however*, that such Indemnitee shall promptly refund any amount paid to such Indemnitee for fees, expenses, damages, indemnification or contribution, in each case, pursuant to this Section 10.03(b) to the extent that there is a final, non-appealable judicial determination that such Indemnitee was not entitled to indemnification pursuant to the express terms of this Section 10.03. For the avoidance of doubt, this Section 10.03(b) shall not apply to Taxes other than Taxes that represent losses, claims, damages, liabilities, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to pay any amount required under clause (a) or (b) of this Section 10.03 to be paid by it to the Administrative Agent (or any sub-agent thereof), the Collateral Agent, the Issuing Bank or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the Collateral Agent (or any sub-agent thereof), the Issuing Bank or such Related Party, as the case may be, such Lender's *pro rata* share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount (such indemnity shall be effective whether or not the related losses, claims, damages, liabilities and related expenses are incurred or asserted by any party hereto or any third party); *provided* that (i) the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), the Collateral Agent (or any sub-agent thereof), the Issuing Bank in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), the Collateral Agent (or any sub-agent thereof), the Issuing Bank in connection with such capacity and (ii) such indemnity for the Issuing Bank shall not include losses incurred by the Issuing Bank due to one or more Lenders defaulting in their obligations to purchase participations of LC Exposure under Section 2.18(d) or to make Revolving Loans under Section 2.18(e) (it being understood that this proviso shall not affect the Issuing Bank's rights against any Defaulting Lender). The obligations of the Lenders under this clause (c) are subject to the provisions of Section 2.14. For purposes hereof, a Lender's "*pro rata* share" shall be determined based upon its share of the sum of the total Revolving Exposure, outstanding Term Loans and unused Commitments at the time.

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Requirements of Law, no party hereto shall assert, and each party hereby waives, any claim against any other party hereto on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No party hereto shall be liable for any damages (other than those damages resulting from bad faith, gross negligence or willful misconduct of such Indemnitee, as determined by a court of competent jurisdiction by final and non-appealable judgment) arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable not later than fifteen (15) Business Days after written demand (including detailed invoices) therefor.

Section 10.04 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Credit Party may assign or otherwise transfer any of its rights or obligations hereunder (other than in connection with a transaction permitted by Section 6.04) without the prior written consent of the Administrative Agent, the Collateral Agent, the Issuing Bank and each Lender (and any other attempted assignment or transfer by a Credit Party shall be null and void), and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of clause (b) of this Section 10.04, Section 2.16(b) or Section 10.02(e), (ii) by way of participation in accordance with the provisions of clause (d) of this Section 10.04 or (iii) by way of pledge or assignment of a security interest in accordance with clause (f) of this Section 10.04. Nothing in this Agreement or any other Loan Document, expressed or implied, shall be construed to confer upon any person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in clause (d) of this Section 10.04 and, to the extent expressly contemplated hereby, the other Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement or any other Loan Document.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) subject to, except in the case of an assignment to (x) in the case of Term Loan Commitments or Term Loans, a Lender, an Affiliate of a Lender or an Approved Fund with respect to a Lender (in each case other than a Disqualified Institution) and (y) in the case of Revolving Commitments or Revolving Loans, a Revolving Lender, an Affiliate of a Revolving Lender or an Approved Fund with respect to a Revolving Lender (in each case, other than a Disqualified Institution), the prior written consent of the Administrative Agent, and in the case of Revolving Commitments or Revolving Loans, the Issuing Bank, and, so long as (other than in the case of a proposed assignment to a Disqualified Institution) no Event of Default under Section 8.01(a), (b), (g) or (h) shall have occurred and be continuing, the Borrower (each such consent not to be unreasonably withheld or delayed; the Borrower's consent to be deemed to have been given if (except in the case of a proposed assignment to a Disqualified Institution) the Borrower shall not have responded within ten (10) Business Days of a written request for such consent); *provided that*:

(i) except in the case of any assignment (a) of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it, (b) to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender or (c) as agreed by the Borrowers and the Administrative Agent, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans

of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$3,000,000, in the case of any assignment in respect of Revolving Loans and/or Revolving Commitments, or \$1,000,000, in the case of any assignment in respect of Term Loans and/or Term Loan Commitments, and, in each case \$1,000,000 increments thereof, or if less, all of such Lender's remaining Loans and commitments of the applicable Class (*provided*, that contemporaneous assignments to or by two or more affiliated Approved Funds shall be aggregated for purposes of meeting such minimum transfer amount), unless each of the Administrative Agent, and so long as no Event of Default under Section 8.01(a), (b), (g), or (h) has occurred and is continuing, the Borrower otherwise consents (such consent not to be unreasonably withheld or delayed, and which consent shall be deemed to have been given by the Borrower if the Borrower has not responded within ten (10) Business Days of a written request for such consent);

(ii) each partial assignment shall be made as an assignment of a proportionate part of all of the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate tranches on a non-*pro rata* basis;

(iii) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with (other than in the case of an assignment to an Affiliate of the assigning Lender or to the Sponsor, Holdings, any Subsidiaries of Holdings, or any of their respective Affiliates) a processing and recordation fee of \$3,500 (which fee may be waived or reduced by the Administrative Agent in its discretion), and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire and all requested know-your-customer documentation;

(iv) no assignment shall be made to a Disqualified Institution without the Borrower's prior consent in writing (which consent may be withheld in its sole discretion), and upon an inquiry by any Lender to the Administrative Agent as to whether a specific potential assignee or prospective participant is a Disqualified Institution, the Administrative Agent shall be permitted to disclose to such inquiring Lender whether such specific potential assignee or prospective participant is on the list of Disqualified Institutions; *provided* that the Administrative Agent shall not be responsible for, nor have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions and shall not be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or have any liability with respect to or arising out of any assignment or participation to or disclosure of confidential information to, a Disqualified Institution;

(v) notwithstanding anything to the contrary contained in this Agreement, any Lender may assign all or a portion of its Term Loans (but not, for the avoidance of doubt, any Revolving Commitments, Refinancing Revolving Loan Commitments, Revolving Loans or Refinancing Revolving Loans) to any Person who is or, after giving effect to such assignment, would be an Equity Investor (other than Affiliated Debt Funds) or an Affiliate of Holdings (other than Holdings or any of its Subsidiaries, any Affiliated Debt Fund or any natural person) (collectively, the “**Sponsor Investors**”) (without the consent of any Person but subject to acknowledgment by the Administrative Agent (which acknowledgement may not be withheld, conditioned or delayed)); *provided* that (1) the assigning Lender and each Sponsor Investor purchasing such Lender’s Term Loans shall execute and deliver to the Administrative Agent an Assignment and Assumption via an electronic settlement system or by manual execution, (2) at the time of such assignment after giving effect to such assignment, the aggregate principal amount of all Term Loans and Refinancing Term Loans held by the Sponsor Investors shall not exceed 25% of the aggregate principal amount of all Term Loans and Refinancing Term Loans then outstanding under this Agreement (and the aggregate principal amount of all Term Loans and Refinancing Term Loans held by the Sponsor Investors and the Affiliated Debt Funds, collectively, shall not exceed 30% of the aggregate principal amount of all Term Loans and Refinancing Term Loans then outstanding under this Agreement) and (y) the aggregate number of Sponsor Investors and Affiliated Debt Funds holding Term Loans and Refinancing Term Loans shall not exceed the aggregate number of Term Loan Lenders and Lenders holding Refinancing Term Loans (other than any such Lenders constituting Sponsor Investors and Affiliated Debt Funds); *provided* that all Affiliated Debt Funds shall be deemed to be one Lender for the purposes of this Section 10.04(b)(y) and for all purposes of Section 1126 of the Bankruptcy Code, (3) all parties to the relevant repurchases shall render customary “big-boy” disclaimer letters or any such disclaimers shall be incorporated into the terms of the Assignment and Assumption, (4) no Sponsor Investor shall be required to make any representation that it is not in possession of MNPI with respect to Holdings, its Subsidiaries or their respective securities, and (5) for the avoidance of doubt, Lenders shall not be permitted to assign Revolving Commitments or Revolving Loans to any Sponsor Investor; and *provided, further*, that:

(A) notwithstanding anything to the contrary in this Agreement, the Sponsor Investors shall not have any right to (1) attend (including by telephone or electronic means) any meeting or discussions (or portions thereof) among the Administrative Agent or any Lender to which representatives of the Credit Parties are not invited or (2) receive any information or material provided by the Administrative Agent or any Lender solely to the Lenders or any communication by or among the Administrative Agent and/or one or more Lenders or have access to the Platform used to distribute information to the Lenders, except to the extent such information or materials have been made available to (or were prepared or otherwise provided by) any Credit Party or its representatives;

(B) notwithstanding anything in Section 10.04(b) or the definition of “Required Lenders” to the contrary, for purposes of determining whether the Required Lenders (or all Lenders or affected Lenders) have (1) consented (or not consented) to any amendment, modification, waiver or consent with respect to any of the terms of any Loan Document or any departure by any Credit Party therefrom, (2) otherwise acted on any matter related to any Loan

Document, or (3) directed or required the Administrative Agent, the Collateral Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, the Loans of such Sponsor Investor shall not be included in the calculation of Required Lenders (or if such non-voting designation is unenforceable for any reason, such Sponsor Investor shall be deemed to have voted its interest as a Lender without discretion in the same proportion as the allocation of voting with respect to such matter by Lenders who are not Sponsor Investors); *provided, however*, that each such Sponsor Investor shall be entitled to receive its pro rata share of any payment to which Lenders or consenting Lenders are entitled pursuant to any amendment, modification, waiver or consent or other such similar action regardless of whether such Sponsor Investor was entitled to vote with respect thereto; *provided further* that except in any situation provided for in subclause (D) below, each Sponsor Investor shall be entitled to vote on any amendment, modification, waiver, consent or other action with respect to any Loan Document that deprives such Sponsor Investor of its *pro rata* share of any payments to which such Sponsor Investor is entitled under the Loan Documents and the Sponsor Investor shall be entitled to vote on any amendment pursuant to clauses (i) through (iii) and/or (vii) of the first proviso to Section 10.02(b) or which disproportionately affects such Sponsor Investor; and in furtherance of the foregoing, (x) such Sponsor Investor agrees to execute and deliver to the Administrative Agent any instrument reasonably requested by the Administrative Agent to evidence the voting of its interest as a Lender in accordance with the provisions of this Section 10.04(b)(v); *provided* that if the Sponsor Investor fails to promptly execute such instrument such failure shall in no way prejudice any of the Administrative Agent's rights under this paragraph and (y) the Administrative Agent is hereby appointed (such appointment being coupled with an interest) by the Sponsor Investor as the Sponsor Investor's attorney-in-fact, with full authority in the place and stead of the Sponsor Investor and in the name of the Sponsor Investor, from time to time in the Administrative Agent's reasonable discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of Section 10.04(b)(v); and

(C) in the event that any proceeding under the Bankruptcy Code shall be instituted by or against any Borrower or any Guarantor, each Sponsor Investor shall acknowledge and agree that it is an "insider" under Section 101(31) of the Bankruptcy Code and, as such, the claims associated with the Loans and Commitments owned by it shall not be included in determining whether the applicable class of creditors holding such claims has voted to accept a proposed plan for purposes of section 1129(a)(10) of the Bankruptcy Code, or, alternatively, to the extent that the foregoing designation is deemed unenforceable for any reason, such Sponsor Investor shall vote in such proceedings in the same proportion as the allocation of voting with respect to such matter by those Lenders who are not Sponsor Investors, except to the extent that any plan of reorganization proposes to treat the Obligations held by such Sponsor Investor in a manner that is less favorable in any material respect to such Sponsor Investor than the proposed treatment of similar Obligations held by Lenders that are not Sponsor Investors; and

(D) each Sponsor Investor hereby waives, to the fullest extent permitted at law, any rights to bring any claims, actions or suits against the Administrative Agent and/or the Collateral Agent (solely in their respective capacities as such) in connection with all Loans and Commitments held by such Sponsor Investor;

(vi) notwithstanding anything to the contrary herein, each Sponsor Investor, in its capacity as a Term Loan Lender, in its sole and absolute discretion, may make one or more capital contributions or assignments of Term Loans that it acquires in accordance with Section 10.04(b)(v) directly or indirectly to Holdings or the Borrower solely in exchange for Equity Interests of Holdings (other than Disqualified Capital Stock) or a direct or indirect parent thereof or debt securities of a parent entity of Holdings, in each case upon written notice to the Administrative Agent. Immediately upon Holdings' or the Borrower's acquisition of Term Loans from a Sponsor Investor, such Term Loans and all rights and obligations as a Lender related thereto shall for all purposes (including under this Agreement, the other Loan Documents and otherwise) be deemed to be irrevocably prepaid, terminated, extinguished, cancelled and of no further force and effect and the Borrower shall neither obtain nor have any rights as a Lender hereunder or under the other Loan Documents by virtue of such capital contribution or assignment;

(vii) notwithstanding anything to the contrary contained in this Section 10.04(b) or any other provision of this Agreement, each Lender shall have the right at any time to sell, assign or transfer all or a portion of its Term Loans owing to it to Holdings, Intermediate Holdings, the Borrower or any of their Subsidiaries on a non-*pro rata* basis, subject to the following limitations:

(A) no Default or Event of Default pursuant to Section 8.01(a), (b), (g) or (h) has occurred and is then continuing, or would immediately result therefrom;

(B) Holdings, Intermediate Holdings, the Borrower or any of its Subsidiaries shall repurchase such Term Loans through conducting one or more modified Dutch auctions or other buy-back offer processes (each, an "**Offer Process**") with a third party financial institution as auction agent to repurchase all or any portion of the Term Loans *provided* that, (A) notice of such Offer Process shall be made to all Term Loan Lenders and (B) such Offer Process is conducted pursuant to procedures mutually established by the Administrative Agent and Borrower which are consistent with this Section 10.04(b)(vii);

(C) with respect to all repurchases made by Holdings, Intermediate Holdings, the Borrower or any of its Subsidiaries pursuant to this Section 10.04(b)(vii), none of Holdings, Borrower or any of their respective Subsidiaries shall be required to make any representations that Holdings, Intermediate Holdings, the Borrower or such Subsidiary is not in possession of

any information regarding Holdings, its Subsidiaries or its Affiliates, or their assets, the Borrower's ability to perform its Obligations or any other matter that may be material to a decision by any Lender to participate in any offer or enter into any Assignment and Assumption or any of the transactions contemplated thereby that has not previously been disclosed to the Administrative Agent and Private Siders, (v) the repurchases are in compliance with Sections 6.03 and 6.06 hereof, (w) no Default or Event of Default pursuant to Section 8.01(a), (b), (g) or (h) has occurred and is continuing or would result from such repurchase, (x) Holdings, Intermediate Holdings, the Borrower or such Subsidiary shall not use the proceeds of any Revolving Loans to acquire such Term Loans, (y) the assigning Lender and Holdings, Intermediate Holdings, the Borrower or such Subsidiary, as applicable, shall execute and deliver to the Administrative Agent an Assignment and Assumption in form and substance reasonably satisfactory to the Administrative Agent, with such assignee clearly identifying itself as Holdings, Borrower or a Subsidiary and (z) all parties to the relevant repurchases shall render customary "big-boy" disclaimer letters or any such disclaimers shall be incorporated into the terms of the Assignment and Assumption; and

(D) following repurchase by Holdings, Intermediate Holdings, the Borrower or such Subsidiary pursuant to this Section, the Term Loans so repurchased shall, without further action by any Person, be deemed cancelled for all purposes and no longer outstanding (and may not be resold by Holdings, Intermediate Holdings, the Borrower or such Subsidiary), for all purposes of this Agreement and all other Loan Documents, including, but not limited to (1) the making of, or the application of, any payments to the Lenders under this Agreement or any other Loan Document, (2) the making of any request, demand, authorization, direction, notice, consent or waiver under this Agreement or any other Loan Document or (3) the determination of Required Lenders, or for any similar or related purpose, under this Agreement or any other Loan Document and the Borrower shall neither obtain nor have any rights as a Lender hereunder or under the other Loan Documents by virtue of such repurchase (without limiting the foregoing, in all events, such Term Loans may not be resold or otherwise assigned, or subject to any participation, or otherwise transferred by the Borrower). In connection with any Term Loans repurchased and cancelled pursuant to this Section 10.04(b)(vii) the Administrative Agent is authorized to make appropriate entries in the Register to reflect any such cancellation.

(viii) (A) notwithstanding anything to the contrary contained in this Agreement, any Lender may assign all or a portion of its Term Loans (but not, for the avoidance of doubt, any Revolving Commitments or Revolving Loans) to any Affiliated Debt Funds (without the consent of any Person but subject to acknowledgment by the Administrative Agent (which acknowledgement may not be withheld, conditioned or delayed)); *provided* that at the time of such assignment after giving effect to such assignment, (x) the aggregate principal amount of all Term Loans and Refinancing Term Loans held by the Affiliated Debt Funds and the Sponsor Investors, collectively, shall not exceed 30% of the aggregate principal amount of all Term Loans and Refinancing Term Loans then outstanding under this Agreement and (y) the aggregate number of Sponsor Investors and Affiliated Debt Funds holding Term Loans and Refinancing Term Loans shall not exceed the aggregate number of Term Loan Lenders and Lenders holding Refinancing Term Loans (other than any such Lenders constituting Sponsor Investors and Affiliated Debt Funds);

(B) in the event any Affiliated Debt Fund received a notice of Offer Process from Holdings, Intermediate Holdings, the Borrower or any of its Subsidiaries with respect to the repurchase of any of its Term Loans, such Affiliated Debt Fund shall be required to accept such offer in the event and to the extent that, as a result thereof, the aggregate principal amount of Term Loans held by the Affiliated Debt Funds and the Sponsor Investors, collectively, would exceed 30% of the aggregate principal amount of all Term Loans then outstanding under this Agreement after giving effect to such repurchase.

Subject to the recording thereof by the Administrative Agent pursuant to clause (c) of this Section 10.04, from and after the date such recordation in the Register is made, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement (including, for the avoidance of doubt, any rights and obligations pursuant to Section 2.15), and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.12, 2.13, 2.15, and 10.03 with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (d) of this Section 10.04.

(c) Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower (and such agency being solely for Tax purposes), shall maintain at one of its U.S. offices a copy of each Assignment and Assumption delivered to it (or equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal and stated interest amounts of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be presumptively correct absent manifest error, and the Borrower, the Administrative Agent, the Issuing Bank and the Lenders shall treat each person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. No assignment shall be effective unless recorded in the Register. The Register is intended to cause each Loan and other obligation hereunder to be in registered form within the meaning of Section 5f.103-1(c) of the United States Treasury Regulations and within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code. The Register shall be available for inspection by the Borrower, the Issuing Bank (with respect to its own interests), the Collateral Agent and any Lender (with respect to its own interests), at any reasonable time and from time to time upon reasonable prior notice.



(d) Participations.

(i) Any Lender may at any time, without the consent of, or notice to, the Borrower, the Administrative Agent, or the Issuing Bank, sell participations to any person (other than a natural person or the Borrower or any of its Affiliates or any Disqualified Institutions) (each, a “**Participant**”) in all or a portion of such Lender’s rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); *provided* that (A) such Lender’s obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower, the Administrative Agent and the Lenders and Issuing Bank shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement.

(ii) Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce the Loan Documents and to approve any amendment, modification or waiver of any provision of the Loan Documents; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver with regard to (a) reductions of principal, interest or fees owing to such Participant to the extent that Lenders have a consent right with respect thereto pursuant to clause (ii) of the first proviso in Section 10.02(b), (b) extensions of final scheduled maturity or times for payment of interest or fees owing to such participant to the extent that Lenders have a consent right with respect thereto pursuant to with respect to clauses (iii)(A), (B) and (C) of Section 10.02(b) and (c) releases of Collateral or guarantees requiring the approval of all Lenders with respect to clauses (iv) and (v) of Section 10.02(b), in each case, that directly affects such Participant. Subject to clause (e) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.12, 2.13 and 2.15 (provided that each Participant shall be subject to the requirements of those Sections and the definition of Excluded Taxes as if it were a Lender) (provided that any documentation required to be provided by a Participant pursuant to Section 2.15(e) shall be provided to the participating Lender and, if Additional Amounts are required to be paid pursuant to Section 2.15, to the Borrower and the Administrative Agent, and the definition of Excluded Taxes shall apply) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender; *provided* that such Participant shall be subject to Section 2.14 as though it were a Lender. Notwithstanding anything to the contrary, no Lender shall enter into any agreement with any Participant that will permit such Participant to influence or control the voting rights of such Lender except with regard to (a) reductions of principal, interest or fees owing to such Participant to the extent that such Participant has a consent right with respect thereto pursuant to this Section 10.02(d)(ii) in clause (ii) of the first proviso in Section 10.02(b), (b) extensions of final scheduled maturity or times for payment of interest or fees owing to such participant to the extent that such Participant has a consent right with respect thereto pursuant to this Section 10.02(d)(ii) with respect to clauses (iii)(A), (B) and (C) of Section 10.02(b) and (c) releases of Collateral or guarantees requiring the approval of all Lenders with respect to clauses (iv) and (v) of Section 10.02(b), in each case, that directly affects such Participant.

(iii) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal and stated interest amounts of each participant's interest in the Loans or other obligations under this Agreement (a "**Participant Register**"); *provided* that no Lender shall have any obligation to disclose all or any portion of a Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or other obligations under any Loan Document) to any Person except to the extent such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations and within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code. Upon request by the Borrower, any Lender that sells a participation shall confirm that any such Participant is not a Disqualified Institution. The entries in a Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is recorded in a Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(iv) Any such participation that does not comply with this Section shall be void *ab initio* and, promptly following such Lender becoming aware that any such participation has been made in breach of this Section, the Participant Register shall be modified by it to reverse such participation and shall be disclosed to the Borrower and the Administrative Agent.

(v) The Administrative Agent shall have no responsibility (in its capacity as Administrative Agent) for (i) maintaining a Participant Register and (ii) any Lender's compliance with this Section, including any sale of participations to a Disqualified Institution in violation hereof by any Lender.

(e) Limitations on Participant Rights. A Participant shall not be entitled to receive any greater payment under Sections 2.12, 2.13 or 2.15 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent or except to the extent the right to greater payment results from a Change in Law after the Participant becomes a Participant.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender without restriction, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto. In the case of any Lender that is a fund that invests in bank loans or similar extensions of credit, such Lender may, without the consent of the Borrower or the Administrative Agent or any other Person, collaterally assign or pledge all or any portion of its rights under this Agreement, including the Loans and Notes or any other instrument evidencing its rights as a Lender under this Agreement, to any holder of, trustee for, or any other representative of holders of, obligations owed or securities issued, by such fund, as security for such obligations or securities.

(g) Disqualified Institutions. Notwithstanding anything to the contrary herein, if any Loans are assigned or any participations are purchased or otherwise acquired, without the Borrower's consent (in violation of Section 10.04(b) or (d)), to any Disqualified Institution, then: (i) the Borrower may (x) terminate any commitment of such Disqualified Institution and repay any applicable outstanding Loans (in the case of Term Loans, at a price equal to the lesser of par and the amount the applicable Disqualified Institution paid to acquire such Loans) without premium, penalty, prepayment fee or breakage, and/or (y) require such Disqualified Institution to assign its rights and obligations to one or more Eligible Assignees at the price indicated in the immediately preceding clause (x) (which assignment shall not be subject to the processing and recordation fee described in Section 10.04(b)(iii)), (ii) no such Disqualified Institution shall receive any information or reporting provided by the Borrower, the Administrative Agent or any other Lender, (iii) for purposes of voting, any Loans, Commitments or participations held by such Disqualified Institution shall be deemed not to be outstanding and such Disqualified Institution shall have no voting or consent rights with respect to "required Lender" or Class votes or consents, in each case notwithstanding Section 10.02(b), (iv) for purposes of any matter requiring the vote or consent of each Lender affected by any amendment or waiver, such Disqualified Institution shall be deemed to have voted or consented to approve such amendment or waiver if a majority of the affected Class so approves, and (v) such Disqualified Institution shall not be entitled to any expense reimbursement or indemnification rights ordinarily afforded to Lenders or Participants hereunder or in any Loan Document and such Disqualified Institution shall be treated in all other respects as a Defaulting Lender.

Section 10.05 Survival of Agreement. All covenants, agreements, representations and warranties made by the Credit Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Agents, the Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect until the Payment in Full of the Obligations and the termination or expiration of the Commitments. The provisions of Sections 2.12, 2.14, 2.15 and Article X (other than Section 10.12) shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the Payment in Full of the Obligations or the termination of this Agreement or any provision hereof.

Section 10.06 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in

Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopier or other electronic transmission (PDF or TIFF format) shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.07 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 10.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, the Issuing Bank, and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Requirements of Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time due and owing by such Lender, the Issuing Bank or any such Affiliate to or for the credit or the account of the Borrower or any other Credit Party (but excluding amounts held in payroll, employee benefits, tax and other fiduciary or trust accounts) against any and all of the obligations of such Borrower or such Credit Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or the Issuing Bank, irrespective of whether or not such Lender or the Issuing Bank shall have made any demand under this Agreement or any other Loan Document and although such obligations of such Borrower or such Credit Party may be contingent or unmatured or are owed to a branch or office of such Lender or the Issuing Bank different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender, the Issuing Bank and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the Issuing Bank or their respective Affiliates may have. Each Lender and the Issuing Bank agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; *provided* that the failure to give such notice shall not affect the validity of such setoff and application.

Section 10.09 Governing Law; Jurisdiction; Consent to Service of Process.

(a) Governing Law. This Agreement shall be construed in accordance with and governed by the law of the State of New York, without regard to conflicts of law principles that would require the application of the laws of another jurisdiction; provided, that, notwithstanding the foregoing, (i) the interpretation of the definition of Material Adverse Effect (as defined in the Closing Date Acquisition Agreement) and whether or not a Material Adverse Effect (as defined in the Closing Date Acquisition Agreement) has occurred, (ii) the determination of the accuracy of any Specified Acquisition Agreement Representation and whether as a result of any inaccuracy thereof Holdings or Merger Sub has the right to terminate their obligations under the Closing Date Acquisition Agreement or decline to consummate the Closing Date Acquisition pursuant to the terms thereof, and (c) the determination of whether the Closing Date Acquisition has been consummated in accordance with the terms of the Closing Date Acquisition Agreement and, in

any case, claims or disputes arising out of any such interpretation or determination of any aspect thereof shall, in each case, be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts law thereof.

(b) Submission to Jurisdiction. Except as provided in the last sentence of this Section 10.09(b), each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York sitting in New York County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable Requirements of Law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent, the Collateral Agent, the Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Credit Party or its properties in the courts of any jurisdiction.

(c) Waiver of Venue. Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable Requirements of Law, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in Section 10.09(b). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable Requirements of Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Service of Process. Each party hereto irrevocably consents to service of process in any action or proceeding arising out of or relating to any Loan Document, in the manner provided for notices (other than telecopier) in Section 10.01. Nothing in this Agreement or any other Loan Document will affect the right of any party hereto to serve process in any other manner permitted by applicable Requirements of Law.

Section 10.10 Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 10.11 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 10.12 Treatment of Certain Information; Confidentiality. Each of the Administrative Agent, the Lenders and the Issuing Bank agrees to maintain in accordance with its customary procedures for maintaining confidential information the confidentiality of the Information (as defined below), except that Information may be disclosed (in each case, other than to a Disqualified Institution) (a) to its Affiliates and to its and its Affiliates' respective partners, directors, investors, lenders, officers, employees, agents, advisors, attorneys, numbering, administration and settlement services provider and other representatives (it being understood that the persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential or, with respect to disclosure to investors or prospective investors, such disclosure is in connection with customary portfolio reviews), (b) to the extent requested by any Governmental Authority or regulatory authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable Requirements of Law or by any subpoena or similar legal process (including, without limitation, in connection with filings, submissions and any other similar documentation required or customary to comply with Securities and Exchange Commission filing requirements), (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of, or preparing to enforce, rights hereunder or thereunder, but only to the extent required in connection with such exercise or enforcement, (f) subject to an agreement containing provisions substantially the same as those of this Section 10.12, to (i) any assignee of or Participant in, or any prospective assignee of or Participant (except, in each case, for the avoidance of doubt, for any Disqualified Institution) in, any of its rights or obligations under this Agreement and in connection with any pledge or assignment made pursuant to Section 10.04(f), (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations or (iii) any rating agency for the purpose of obtaining a credit rating applicable to any Credit Party or to the credit facilities hereunder, (g) with the prior consent of the Borrower, (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender, the Issuing Bank or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower, (i) to the extent necessary or customary for inclusion in league table measurements, (j) to the National Association of Insurance Commissioners or any similar organization or any examiner or (k) to a Person that is an investor or prospective investor in a Securitization or other financing, separate account or commingled fund so long as such investor or prospective investor is informed that its access to information regarding the Credit Parties and the Loans and Commitments is solely for purposes of evaluating an investment in such Securitization or other financing, separate account or commingled fund and who agrees to treat such information as confidential, (l) to a Person that is a trustee, collateral agent, collateral manager, servicer, investor or secured party in a Securitization in connection with the administration, servicing and evaluation of, and reporting on, the assets serving as collateral for such Securitization, or (l) otherwise to the extent consisting of

general portfolio information that does not identify the Borrower; *provided*, that with respect to clauses (b) and (c) above, if the Administrative Agent, any Lender or the Issuing Bank receives a subpoena, interrogatory or other request (verbal or otherwise) for any Information, or believes that it is legally required to disclose any of the Information to a third party, it shall, in advance of such disclosure, to the extent practicable and legally permissible and unless such disclosure is made to regulatory or self-regulatory authorities in the course of routine audits and reviews, promptly provide to the Borrower written notice of any such request or requirement so that the Borrower or the applicable Credit Party (or Subsidiary thereof) may seek a protective order or other remedy; *provided, further*, that it shall (1) exercise reasonable efforts to preserve the confidentiality of such Information, (2) to the extent legally permissible, use commercially reasonable efforts to provide the Borrower, in advance of such disclosure, with copies of any Information it intends to disclose (and, if applicable, the text of the disclosure language itself, and (3) to the extent legally permissible, reasonably cooperate with the Borrower or applicable Credit Party (or Subsidiary thereof) to the extent the Borrower or such Credit Party (or Subsidiary thereof) seeks to limit such disclosures. For purposes of this Section, “**Information**” shall mean all information received from Holdings or any of its Subsidiaries relating to Holdings or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the Issuing Bank on a nonconfidential basis prior to disclosure by Holdings or any of its Subsidiaries. For purposes of this Section, “**Securitization**” means a public or private offering by a Lender or any of its Affiliates or their respective successors and assigns, of securities which represent an interest in, or which are collateralized, in whole or in part, by the Loans or the Commitments. Except with respect to disclosing any Information to any Disqualified Institution, any person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such person has exercised the same degree of care to maintain the confidentiality of such Information as such person would accord to its own confidential information. The Administrative Agent or any Lender may, with the consent of the Borrower (such consent not to be unreasonably withheld or delayed), publish press releases, tombstones, advertising or other promotional materials (whether by means of electronic transmission, posting to a website or other internet application, print media or otherwise) relating to the financing transactions contemplated by this Agreement, which may include a Credit Party’s or its Subsidiary’s name, product photographs, logo, trademark or related information.

Section 10.13 USA PATRIOT Act Notice. Each Lender that is subject to the Patriot Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Credit Parties, which information includes the name and address of the Credit Parties and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Credit Parties in accordance with the Patriot Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests that is required in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

Section 10.14 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable Requirements of Law (collectively, the “**Charges**”), shall exceed the maximum lawful rate (the “**Maximum Rate**”)

which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable Requirements of Law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Rate to the date of repayment, shall have been received by such Lender.

Section 10.15 Obligations Absolute. To the fullest extent permitted by applicable Requirements of Law, all obligations of the Credit Parties hereunder shall be absolute and unconditional irrespective of:

(a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of any Credit Party;

(b) any lack of validity or enforceability of any Loan Document or any other agreement or instrument relating thereto against any Credit Party;

(c) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from any Loan Document or any other agreement or instrument relating thereto;

(d) any exchange, release or non-perfection of any other Collateral, or any release or amendment or waiver of or consent to any departure from any guarantee, for all or any of the Obligations;

(e) any exercise or non-exercise, or any waiver, of any right, remedy, power or privilege under or in respect hereof or any Loan Document; or

(f) any other circumstances which might otherwise constitute a defense (other than the Payment in Full of the Obligations) available to, or a discharge of, the Credit Parties.

Section 10.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower and each other Credit Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i)(A) the arranging and other services regarding this Agreement provided by the Administrative Agent and the Lenders are arm's-length commercial transactions between the Borrower, each other Credit Party and their respective Affiliates, on the one hand, and the Administrative Agent, and the Lenders, on the other hand, (B) each of the Borrower and the other Credit Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower and each other Credit Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii)(A) the Administrative Agent and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower, any other Credit



Party or any of their respective Affiliates, or any other Person, and (B) neither the Administrative Agent, nor any Lender has any obligation to the Borrower, any other Credit Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, the other Credit Parties and their respective Affiliates, and neither the Administrative Agent, nor any Lender has any obligation to disclose any of such interests to the Borrower, any other Credit Party or any of their respective Affiliates. To the fullest extent permitted by law, the Borrower and each other Credit Party hereby waives and releases any claims that it may have against the Administrative Agent or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 10.17 Intercreditor Agreement.

(a) Notwithstanding anything to the contrary in this Agreement or in any other Loan Document: (a) the Liens granted to the Collateral Agent in favor of the Secured Parties pursuant to the Loan Documents and the exercise of any right related to any Collateral shall be subject, in each case, to the terms of any applicable Intercreditor Agreement, (b) in the event of any conflict between the express terms and provisions of this Agreement or any other Loan Document, on the one hand, and of any applicable Intercreditor Agreement, on the other hand, the terms and provisions of such Intercreditor Agreement shall control, and (c) each Lender and, by its acceptance of the benefit of the Security Documents, each other Secured Party, authorizes the Administrative Agent and/or the Collateral Agent to execute any such Intercreditor Agreement on behalf of such Lender, and such Lender agrees to be bound by the terms thereof.

(b) Each Lender and, by its acceptance of the benefit of the Security Documents, each other Secured Party, hereby agrees that the Administrative Agent and/or Collateral Agent may enter into any intercreditor agreement and/or subordination agreement pursuant to, or contemplated by, the terms of this Credit Agreement (including with respect to Indebtedness permitted pursuant to Section 6.01 and defined terms referenced therein) on its behalf and agrees to be bound by the terms thereof and, in each case, consents and agrees to the appointment of Goldman (or its affiliated designee, representative or agent) on its behalf as collateral agent, respectively, thereunder.

Section 10.18 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all or a portion of such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

Section 10.19 Electronic Execution of Assignments and Certain Other Documents. The words “execute,” “execution,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including, without limitation, Assignment and Assumptions, Borrowing Requests, Interest Election Requests, Compliance Certificates, Joinder Agreements, amendments or other modifications, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Requirements of Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.20 Non-affiliation. No Credit Party nor any Affiliate of any Credit Party has or shall have a financial, commercial or ownership interest in or relationship with Administrative Agent or any of its Affiliates, and no Goldman Affiliate (defined below) owns any securities issued by a Credit Party, other than as contemplated by this Agreement and the other Credit Documents and no proceeds of the Credit Facility will be funded to Administrative Agent or any of its Affiliates other than to Goldman in its capacity as Administrative Agent, Collateral Agent or a Lender pursuant to the terms of this Agreement. “Goldman Affiliate” means: (a) Goldman Sachs BDC, Inc. (“GSBD”), Goldman Sachs Private Middle Market Credit LLC (“PMMC”), Goldman Sachs Middle Market Lending Corp. (“MMLC” and, collectively with GSBD and PMMC, the “Primary Goldman Affiliates”); (b) any person directly or indirectly Controlling, Controlled by, or under common Control with, a Primary Goldman Affiliate; and (c) funds managed by Goldman Sachs Asset Management, L.P.

Section 10.21 Public Disclosure. Each Credit Party agrees that no Credit Party or its Affiliates or any Related Party of such parties will without the prior written consent of the Administrative Agent (a) use in advertising, publicity, or otherwise the name of any Goldman Affiliate or any partner or employee of a Goldman Affiliate, nor any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof owned by any Goldman Affiliate, or (ii) represent, directly or indirectly, that any product or any service provided by a Credit Party or its Affiliates has been approved or endorsed by any Goldman Affiliate or any partner or employee of a Goldman Affiliate.

**ARTICLE XI**  
**ACQUISITION MATTERS**

Section 11.01 Consent to the Closing Date Acquisition. Notwithstanding anything to the contrary in the Loan Documents, the Secured Parties and all other parties hereto irrevocably and unconditionally consent to the consummation of the Closing Date Acquisition.

Section 11.02 Reference to Closing Date. Notwithstanding anything to the contrary in the Loan Documents, for purposes of the representations and warranties and the other provisions set forth in Article III of this Agreement, the conditions precedent set forth in Section 4.01 and any reference to "Closing Date" in Article V and Article VI, the making of the Loans and the issuance of Letters of Credit (if any) on the Closing Date shall be assumed to occur concurrently with the consummation of the Closing Date Acquisition.

[THIS SPACE INTENTIONALLY LEFT BLANK]

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

**KAVACHA INTERMEDIATE, LLC,**  
A Delaware limited liability company

**KAVACHA HOLDINGS, INC.**  
A Delaware corporation

**INTEGRAL AD SCIENCE, INC.,**  
A Delaware corporation

**PHANTASOS, LLC,**  
A Delaware limited liability company

**SWARM ENTERPRISES, INC.,**  
A Delaware corporation

By: /s/ Donald C. Epperson, Jr.  
Name: Donald C. Epperson, Jr.  
Title: Chief Executive Officer

**KAVACHA MERGER SUB, INC.**  
A Delaware corporation

By: /s/ Rod Aliabadi  
Name: Rod Aliabadi  
Title: Vice President

**ADMINISTRATIVE AGENT, COLLATERAL AGENT AND  
LENDER:**

**GOLDMAN SACHS BDC, INC.**

By: Goldman Sachs Asset Management,  
solely in its capacity as Investment  
Manager, and not as principal

By: /s/ David Yu

Name: David Yu

Title: Authorized Signatory

**LENDER:**

**GOLDMAN SACHS PRIVATE MIDDLE MARKET CREDIT SPV  
LLC**

By: Goldman Sachs Private Middle Market Credit LLC, as Manager

By: /s/ David Yu

Name: David Yu

Title: Authorized Signatory

**LENDER:**

**GOLDMAN SACHS MIDDLE MARKET LENDING CORP.**

By: Goldman Sachs Asset Management L.P., solely in its capacity as  
Investment Manager

By: /s/ David Yu

Name: David Yu

Title: Authorized Signatory

[Signature Page to Credit Agreement]

**LENDER:**

**GC FINANCE OPERATIONS II, INC.**

By: GC Advisors LLC, its Manager

By: /s/ Robert G. Tuchscherer

Name: Robert G. Tuchscherer

Title: Managing Director

**LENDER:**

**GC FINANCE OPERATIONS LLC**

By: GC Advisors LLC, its Manager

By: /s/ Robert G. Tuchscherer

Name: Robert G. Tuchscherer

Title: Managing Director

**LENDER:**

**GOLUB CAPITAL BDC HOLDINGS LLC**

By: GC Advisors LLC, its Manager

By: /s/ Robert G. Tuchscherer

Name: Robert G. Tuchscherer

Title: Managing Director

**LENDER:**

**GBDC 3 HOLDINGS LLC**

By: Golub Capital BDC 3, Inc., its sole member

By: GC Advisors LLC, its Manager

By: /s/ Robert G. Tuchscherer

Name: Robert G. Tuchscherer

Title: Managing Director

**LENDER:**

**GCIC HOLDINGS LLC**

By: Golub Capital Investment Corporation, its sole member

By: GC Advisors LLC, its Manager

By: /s/ Robert G. Tuchscherer

Name: Robert G. Tuchscherer

Title: Managing Director

[Signature Page to Credit Agreement]

**LENDER:**

**VCO I-B, LLC**

By: /s/ Kristine Jurczyk  
Name: Kristine Jurczyk  
Title: Its Duly Authorized Signatory

**LENDER:**

**ROARING FORK II-B, LLC**

By: /s/ Kristine Jurczyk  
Name: Kristine Jurczyk  
Title: Its Duly Authorized Signatory

**LENDER:**

**SAN GABRIEL RIVER II, LLC**

By: /s/ Kristine Jurczyk  
Name: Kristine Jurczyk  
Title: Its Duly Authorized Signatory

**LENDER:**

**TAUPO RIVER II, LLC**

By: /s/ Kristine Jurczyk  
Name: Kristine Jurczyk  
Title: Its Duly Authorized Signatory

**LENDER:**

**VCOF I-R, LLC**

By: /s/ Kristine Jurczyk  
Name: Kristine Jurczyk  
Title: Its Duly Authorized Signatory

**LENDER:**

**HENRY'S FORK II-R, LLC**

By: /s/ Kristine Jurczyk  
Name: Kristine Jurczyk  
Title: Its Duly Authorized Signatory

**LENDER:**

**MIDDLE FORK II-R, LLC**

By: /s/ Kristine Jurczyk  
Name: Kristine Jurczyk  
Title: Its Duly Authorized Signatory

**LENDER:**

**BENEFIT STREET PARTNERS DEBT FUND  
IV L.P.**

By: /s/ Bryan Martoken  
Name: Bryan Martoken  
Title: Chief Financial Officer

**LENDER:**

**BENEFIT STREET PARTNERS SMA-T L.P.**

By: /s/ Bryan Martoken  
Name: Bryan Martoken  
Title: Chief Financial Officer

**LENDER:**

**BENEFIT STREET PARTNERS CAPITAL  
OPPORTUNITY FUND L.P.**

By: /s/ Bryan Martoken  
Name: Bryan Martoken  
Title: Chief Financial Officer

**LENDER:**

**BENEFIT STREET PARTNERS CAPITAL  
OPPORTUNITY FUND II L.P.**

By: /s/ Bryan Martoken  
Name: Bryan Martoken  
Title: Chief Financial Officer

**LENDER:**

**BENEFIT STREET PARTNERS SMA-K L.P.**

By: /s/ Bryan Martoken  
Name: Bryan Martoken  
Title: Chief Financial Officer

**LENDER:**

**BENEFIT STREET PARTNERS SENIOR  
SECURED OPPORTUNITIES FUND L.P.**

By: /s/ Bryan Martoken  
Name: Bryan Martoken  
Title: Chief Financial Officer

[Signature Page to Credit Agreement]



**LENDER:**

**BUSINESS DEVELOPMENT CORPORATION OF AMERICA**

By: /s/ Corinne Pankovcin

Name: Corinne Pankovcin

Title: CFO

[Signature Page to Credit Agreement]

**LENDER:**

**NEW MOUNTAIN FINANCE CORPORATION**

By: /s/ James W. Stone

Name: James W. Stone

Title: Authorized Person

**LENDER:**

**NEW MOUNTAIN GUARDIAN PARTNERS II, L.P.**

By: /s/ James W. Stone

Name: James W. Stone

Title: Authorized Person

**LENDER:**

**NEW MOUNTAIN GUARDIAN II MASTER FUND-A, L.P.**

By: /s/ James W. Stone

Name: James W. Stone

Title: Authorized Person

[Signature Page to Credit Agreement]

**LENDER:**

**NBPD III HOLDINGS (LO) LP**

By: NB Alternatives Advisers LLC, a Delaware  
limited liability company, as Adviser and Duly  
Authorized Agent

By: /s/ Matthew Bird

Name: Matthew Bird

Title: Authorized Signatory

**LENDER:**

**NBPD III HOLDINGS (UO) LP**

By: NB Alternatives Advisers LLC, a Delaware  
limited liability company, as Adviser and Duly  
Authorized Agent

By: /s/ Matthew Bird

Name: Matthew Bird

Title: Authorized Signatory

[Signature Page to Credit Agreement]

**Term Loan Commitments**

<b><u>Term Loan Lender</u></b>	<b><u>Term Loan Commitment</u></b>
Goldman Sachs BDC, Inc.	\$ 26,900,936.79
Goldman Sachs Private Middle Market Credit SPV LLC	\$ 40,623,487.04
Goldman Sachs Middle Market Lending Corp.	\$ 38,331,225.16
GC Finance Operations II, Inc.	\$ 51,892,900.00
Golub Capital BDC Holdings LLC	\$ 4,987,600.00
GBDC 3 Holdings LLC	\$ 2,394,500.00
GCIC Holdings LLC	\$ 5,725,000.00
VCOF I-B, LLC	\$ 8,068,038.20
Roaring Fork II-B, LLC	\$ 10,389,610.54
San Gabriel River II, LLC	\$ 20,000,000.00
Taupo River II, LLC	\$ 4,258,131.27
Benefit Street Partners Debt Fund IV L.P.	\$ 26,172,000.00
Benefit Street Partners SMA-T L.P.	\$ 4,954,000.00
Benefit Street Partners Capital Opportunity Fund L.P.	\$ 1,669,286.00
Benefit Street Partners Capital Opportunity Fund II L.P.	\$ 1,635,000.00
Benefit Street Partners SMA-K L.P.	\$ 1,444,000.00
Benefit Street Partners Senior Secured Opportunities Fund L.P.	\$ 5,723,000.00
Business Development Corporation of America	\$ 14,117,000.00
New Mountain Finance Corporation	\$ 18,571,428.50
New Mountain Guardian Partners II, L.P.	\$ 2,706,259.73
New Mountain Guardian II Master Fund-A, L.P.	\$ 15,865,168.77
NB PD III Holdings (LO) LP	\$ 18,571,428.00
<b>Total</b>	<b>\$ 325,000,000.00</b>

## Revolving Commitments

<u>Revolving Lender</u>	<u>Revolving Commitments</u>
Goldman Sachs BDC, Inc.	\$ 1,815,203.00
Goldman Sachs Private Middle Market Credit SPV LLC	\$ 2,741,165.00
Goldman Sachs Middle Market Lending Corp.	\$ 2,586,489.00
GC Finance Operations LLC	\$ 4,850,000.00
Golub Capital BDC Holdings LLC	\$ 50,000.00
GBDC 3 Holdings LLC	\$ 50,000.00
GCIC Holdings LLC	\$ 50,000.00
VCOF I-R, LLC	\$ 809,473.79
Henry's Fork II-R, LLC	\$ 3,049,017.93
Middle Fork II-R, LLC	\$ 427,222.28
Benefit Street Partners Debt Fund IV L.P.	\$ 2,013,000.00
Benefit Street Partners SMA-T L.P.	\$ 381,000.00
Benefit Street Partners Capital Opportunity Fund L.P.	\$ 128,714.00
Benefit Street Partners Capital Opportunity Fund II L.P.	\$ 126,000.00
Benefit Street Partners SMA-K L.P.	\$ 112,000.00
Benefit Street Partners Senior Secured Opportunities Fund L.P.	\$ 440,000.00
Business Development Corporation of America	\$ 1,085,000.00
New Mountain Finance Corporation	\$ 1,428,571.50
New Mountain Guardian Partners II, L.P.	\$ 208,173.84
New Mountain Guardian II Master Fund-A, L.P.	\$ 1,220,397.66
NB PD III Holdings (UO) LP	\$ 1,428,572.00
<b>Total</b>	<b>\$ 25,000,000.00</b>

## MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (this "Agreement") is made as of July 19, 2018, by and among Vista Equity Partners Management, LLC, a Delaware limited liability company ("VEP"), Kavacha Topco, LLC, a Delaware limited liability company ("Topco"), Kavacha Intermediate, LLC, a Delaware limited liability company ("Intermediate"), Kavacha Holdings, Inc., a Delaware corporation ("Parent"), and Integral Ad Science, Inc., a Delaware corporation ("IAS"), and together with Topco, Intermediate and Parent, as any such company's name or corporate form may change from time to time and such company's successors and assigns, the "Company").

WHEREAS, Parent, Kavacha Merger Sub, Inc., a Delaware corporation, IAS and Shareholder Representative Services LLC, a Colorado limited liability company, solely in its capacity as the Equityholders' Representative are parties to that certain Agreement and Plan of Merger, dated as of June 1, 2018 (the "Merger Agreement"), as amended from time to time, pursuant to which IAS became an indirect subsidiary of Topco.

WHEREAS, the Company from time to time desires to retain and avail itself of VEP, and VEP desires to perform for the Company and its affiliates certain services; and

WHEREAS, VEP, by and through its officers, employees, agents and affiliates, have developed, in connection with the conduct of their businesses and affairs, expertise in the fields of management, finance and strategic planning.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, the parties do hereby agree as follows:

1. **Term.** This Agreement shall remain in effect unless the Company and VEP terminate this Agreement by mutual written agreement (the "Term").

2. **Appointment.** The Company hereby retains VEP to render management and consulting services to the Company (or to such subsidiaries of the Company as the Company may request) during the term as herein contemplated.

3. **Services.** VEP, by and through its officers, employees, agents and affiliates, as VEP, in its sole discretion, shall designate from time to time, agrees to perform or cause to be performed such management and consulting services (including, but not limited to management, finance, marketing, operational and strategic planning, relationship access, corporate development and analysis of potential mergers and acquisitions) for the Company and its affiliates as mutually agreed upon by and between VEP and the Companies' respective boards of directors (or equivalent governing body). In addition, VEP intends to provide certain services and assistance to the Company, and to provide the Company with certain resources available to VEP in order to enhance the equity value of the Company; provided, that the provision of such resources do not compromise VEP or impair its ability to conduct its business, as determined in VEP's sole discretion. The Company agrees to hire VEP as its financial adviser in connection with any future (a) material debt or equity financing of the Company or its subsidiaries (including any sale of capital stock of the Company or its subsidiaries), (b) merger or sale of any material portion of the Company's consolidated assets, and (c) acquisition of assets of another entity outside the ordinary course of business or of any capital stock of another entity.

#### 4. **Expenses.**

(a) The Company shall reimburse VEP for all reasonable out-of-pocket costs and expenses incurred in connection with services rendered hereunder. Such costs and expenses shall be reimbursed promptly by the Company upon submission of customary expense reports.

(b) In the event, and during any period, that any loan or credit agreements to which the Company is a party prohibits the payment of all or any portion of VEP's out-of-pocket costs and expenses required to be reimbursed pursuant to clause (a) above, then such out-of-pocket cost or expense, or portion thereof, that is not permitted to be paid shall accrue and be paid at the earliest date that the payment thereof is no longer prohibited.

(c) In no event shall the lenders party to any loan or credit agreement to which the Company is a party have any liability to VEP as a result of any prohibition in such loan or credit agreement with respect to the payment of all or any portion of the out-of-pocket costs and expenses payable by the Company to VEP pursuant to this Section 4.

(d) Each obligation hereunder of the entities comprising the Company shall be a joint and several obligation of each of them.

5. **Independent Contractor.** VEP and the Company agree that VEP shall perform its services hereunder as an independent contractor, retaining control over and responsibility for its own operations and employees.

6. **Liability.** Neither of VEP nor any of its affiliates, partners, employees or agents shall be liable to the Company or its subsidiaries or affiliates for any loss, liability, damage or expense arising out of or in connection with the performance of services contemplated by this Agreement.

#### 7. **Indemnity.**

(a) The Company and its affiliates shall defend, indemnify and hold harmless VEP, its affiliates, partners, employees, agents, directors, managers, officers and controlling persons (collectively, the "Indemnified Parties") from and against any and all loss, liability, damage, expense, or obligations of any kind or nature (whether accrued or fixed, absolute or contingent), joint or several, arising from any claim (a "Claim") by any person or entity with respect to, or in any way related to, the services (including, without limitation, the engagement of VEP pursuant to this Agreement and the performance by VEP of services pursuant to this Agreement) contemplated by this Agreement (including attorneys' fees) resulting from any act or omission by the Indemnified Parties. The Company and its affiliates shall defend at their own cost and expense any and all suits or actions (just or unjust) which may be brought against the Company and/or its affiliates and the Indemnified Parties. The Company and its affiliates shall defend at their own cost and expense any and all suits or actions (just or unjust) which may be brought in which the Indemnified Parties may be impleaded with others upon any Claim upon any matter, directly or indirectly, related to or arising out of this Agreement or the performance

hereof by the Indemnified Parties, except that if such damage shall be proven to be the direct result of gross negligence, bad faith or willful misconduct by any of the Indemnified Parties, then such Indemnified Party shall reimburse the Company and its affiliates for the costs of defense and other costs incurred by the Company and its affiliates in proportion to such Indemnified Party's culpability as proven. In the event of the assertion against any Indemnified Party of any Claim or the commencement of any action or proceeding, the Company shall be entitled to participate in such action or proceeding and in the investigation of such Claim and, after written notice from the Company to such Indemnified Party, to assume the investigation or defense of such Claim, action or proceeding with counsel of the Company's choice at the Company's expense; provided, however, that such counsel shall be reasonably satisfactory to the Indemnified Party. Notwithstanding anything to the contrary contained herein, the Company may retain one firm of counsel to represent all Indemnified Parties in such claim, action or proceeding; provided, however, that the Indemnified Party shall have the right to employ a single firm of separate counsel (and any necessary local counsel) and to participate in the defense or investigation of such claim, action or proceeding, and the Company shall bear the expense of such separate counsel (and local counsel, if applicable), if (x) in the opinion of counsel to the Indemnified Party use of counsel of the Company's choice could reasonably be expected to give rise to a conflict of interest, (y) the Company shall not have employed counsel satisfactory to the Indemnified Party to represent the Indemnified Party within a reasonable time after notice of the assertion of any such claim or institution of any such action or proceeding or (z) the Company shall authorize the Indemnified Party to employ separate counsel at the Company's expense. The Company further agrees that with respect to any Indemnified Party who is employed, retained or otherwise associated with, or appointed or nominated by, the VEP Parties or any of its affiliates and who acts or serves as a director, officer, manager, fiduciary, employee, consultant, advisor or agent of, for or to the Company or any of its subsidiaries, that the Company or such subsidiaries, as applicable, shall be primarily liable for all indemnification, reimbursements, advancements or similar payments (the "Indemnity Obligations") afforded to such Indemnified Party acting in such capacity or capacities on behalf or at the request of the Company, whether the Indemnity Obligations are created by law, organizational or constituent documents, contract (including this Agreement) or otherwise. Notwithstanding the fact that VEP and/or any of its respective affiliates, other than the Company (such persons or entities, together with its and their respective heirs, successors and assigns, the "VEP Parties"), may have concurrent liability to an Indemnified Party with respect to the Indemnity Obligations, the Company hereby agrees that in no event shall the Company or any of its subsidiaries have any right or claim against any of the VEP Parties for contribution or have rights of subrogation against any VEP Parties through an Indemnified Party for any payment made by the Company or any of its subsidiaries with respect to any Indemnity Obligation. In addition, the Company hereby agrees that in the event that any VEP Parties pay or advance an Indemnified Party any expenses with respect to an Indemnity Obligation, the Company will, or will cause its subsidiaries to, as applicable, promptly reimburse any such VEP Parties for such payment or advance upon request; subject to the receipt by the Company of a written undertaking executed by the Indemnified Party and the VEP Party that makes such payment or advance to repay any such amounts if it shall ultimately be determined by a court of competent jurisdiction that such Indemnified Party was not entitled to be indemnified by the Company. The foregoing right to indemnity shall be in addition to any rights that any Indemnified Party may have at common law or otherwise and shall remain in full force and effect following the completion or any



termination of the engagement. If for any reason the foregoing indemnification is unavailable to any Indemnified Party or insufficient to hold it harmless as and to the extent contemplated by this Section 7, then the Company shall contribute to the amount paid or payable by the Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect the relative benefits received by the Company and its affiliates, on the one hand, and the Indemnified Party, as the case may be, on the other hand, as well as any other relevant equitable considerations.

(b) The Company hereby acknowledges that the Indemnified Parties have certain rights to indemnification, advancement of expenses and/or insurance provided by investment funds managed by VEP and certain of its affiliates (collectively, the “Fund Indemnitors”). The Company hereby agrees with respect to any indemnification, hold harmless obligation, expense advancement or reimbursement provision or any other similar obligation whether pursuant to or with respect to this Agreement, the organizational documents of the Company or any of its subsidiaries or any other agreement, as applicable, (i) that the Company and its subsidiaries are the indemnitor of first resort (i.e., their obligations to the Indemnified Parties are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for claims, expenses or obligations arising out of the same or similar facts and circumstances suffered by any Indemnified Party are secondary), (ii) that the Company shall be required to advance the full amount of expenses incurred by any Indemnified Party and shall be liable for the full amount of all expenses, liabilities, obligations, judgments, penalties, fines, and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement, the organizational documents of the Company or any of its subsidiaries or any other agreement, as applicable, without regard to any rights any Indemnified Party may have against the Fund Indemnitors, and (iii) that the Company, on behalf of itself and each of its subsidiaries, irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of any Indemnified Party with respect to any claim for which any Indemnified Party has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of any Indemnified Party against the Company. The Company agrees that the Fund Indemnitors are express third-party beneficiaries of the terms of this Section 7(b).

**8. Representations and Warranties.** The Company represents and warrants to VEP that: (a) the Company has taken all action necessary to permit it to execute and deliver this Agreement and the other documents and instruments to be executed by it pursuant hereto and to carry out the terms hereof and thereof; (b) this Agreement and each such other document and instrument, when duly executed and delivered by the Company, will constitute a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms; and (c) the Company is not required to obtain any order, consent, approval or authorization of, or to make any declaration or filing with, any third party or governmental authority in connection with the execution and delivery of this Agreement and the other documents and instruments to be executed by it pursuant hereto or the consummation of the transactions contemplated hereby and thereby, except for such order, consent, approval, authorization, declaration or filing as which has been or will be obtained or made.

9. **Notices.** All notices, requests, consents and other communications provided for herein shall be in writing and shall be (a) delivered in person, (b) transmitted by telecopy or electronic mail, (c) sent by first-class, registered or certified mail, postage prepaid, or (d) sent by reputable overnight courier service, fees prepaid, to the recipient at the address, telecopy number, or electronic mail address set forth below, or such other address, telecopy number or electronic mail address as may hereafter be designated in writing by such recipient. Notices shall be deemed given upon personal delivery, seven days following deposit in the mail as set forth above, upon acknowledgment by the receiving telecopier or by the recipient of the electronic mail or one day following deposit with an overnight courier service.

If to Topco, Intermediate, Parent or IAS:

c/o Vista Equity Partners Management, LLC  
Four Embarcadero Center, 20th Floor  
San Francisco, CA 94111  
Attention: David A. Breach, Michael Fosnaugh and Rod Aliabadi  
E-mail: \*\*\*\*\*  
\*\*\*\*\*  
\*\*\*\*\*

with a copy (which shall not constitute notice to Topco, Intermediate, Parent, or IAS) to:

Kirkland & Ellis LLP  
555 California Street  
Suite 2900  
San Francisco, CA 94104  
Attention: Stuart E. Casillas, P.C.  
Facsimile No.: \*\*\*\*\*  
E-mail: \*\*\*\*\*

If to VEP:

Vista Equity Partners Management, LLC  
Four Embarcadero Center, 20th Floor  
San Francisco, CA 94111  
Attention: David A. Breach, Michael Fosnaugh and Rod Aliabadi  
E-mail: \*\*\*\*\*  
\*\*\*\*\*  
\*\*\*\*\*

with a copy (which shall not constitute notice to VEP) to:

Kirkland & Ellis LLP  
555 California Street  
Suite 2900

San Francisco, CA 94104  
Attention: Stuart E. Casillas, P.C.  
Facsimile No.: \*\*\*\*\*  
E-mail: \*\*\*\*\*

**10. Miscellaneous.**

(a) Amendment and Waiver. The provisions of this Agreement may be amended and/or waived only with the prior written consent of each of VEP and the Company.

(b) Survival of Representations and Warranties. All representations and warranties contained herein or made in writing by any party in connection herewith shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

(c) Successors and Assigns. Except as otherwise expressly provided herein, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

(d) Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

(e) 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 shall constitute one and the same agreement.

(f) Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. The use of the word "including" in this Agreement shall be by way of example rather than by limitation.

(g) Governing Law. **ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY AND INTERPRETATION OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC 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 JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK.**

(h) Arbitration.

(i) Resolution of Disputes. If a Dispute arises between the parties, the parties agree to use the following procedures in good faith to resolve such Dispute promptly and non-judicially. For purposes of this Agreement, “Dispute” shall mean any alleged material breach of any representation, warranty or obligation herein, or a disagreement regarding the interpretation, performance or nonperformance of any provision thereof, or the validity, scope and enforceability of these dispute resolution procedures, or any dispute regarding any damages arising from the termination of this Agreement. Any party may give written notice to any other party of the existence of a Dispute (a “Dispute Notice”).

(ii) Negotiation. Within ten days after delivery of any Dispute Notice the parties involved in the Dispute shall meet at a mutually agreeable time and place and thereafter as often as they deem reasonably necessary to exchange relevant information and attempt in good faith to negotiate a resolution of the Dispute. If the Dispute has not been resolved within ten days after the first meeting of the parties, or, if the party receiving the Dispute Notice will not meet within ten days after receipt of the Dispute Notice, then either party may, by delivering notice to the other party, commence arbitration proceedings.

(iii) General Dispute Resolution Provisions.

(A) All deadlines specified in this Section 10(h) may be extended by mutual agreement. The procedures specified in this Section 10(h) are an essential provision of this Agreement and are legally binding on the parties. These procedures shall be the sole and exclusive procedures for the resolution of any Dispute between the parties arising out of or relating to this Agreement. Any and all actions to enforce the obligations under this Section 10(h) shall be brought in any court of competent jurisdiction in courts located in San Francisco, California.

(B) The parties acknowledge that the provisions of this Section 10(h) are intended to provide a private resolution of Disputes between them. Accordingly, all documents, records, and other information relating to the Dispute shall at all times be maintained in the strictest confidence and not disclosed to any third party, other than the arbitrators, except where specifically allowed hereunder. All proceedings, communications and negotiations pursuant to this Section 10(h) are confidential. In the event of any judicial challenge to, or enforcement of, any order or award hereunder, any party may designate such portions of the record of such proceedings, communications, and negotiations as such party deems appropriate to be filed under seal. All proceedings, communications and negotiations pursuant to this Section 10(h) shall be treated as compromise negotiations for all purposes, including for purposes of the US Federal Rules of Evidence and state rules of evidence. None of the statements, disclosures, offers, or communications (or other assertions made in any proceeding or negotiation) made pursuant to this Section 10(h) shall be deemed admissions, nor shall any of said statements, disclosures, offers, communications or assertions be admissible for any purpose other than the enforcement of the terms of this Section 10(h).

The parties agree to act in good faith to comply with all of their respective obligations under this Agreement as much as possible as if there were no Dispute during any pending mediation or arbitration hereunder.

The parties agree that the terms of this Section 10(h) shall survive the termination or expiration of this Agreement.

(iv) WAIVER OF JURY TRIAL. The parties agree to have any Dispute decided by neutral arbitration as provided in this Section 10(h) and the parties are giving up any rights they might possess to have the Dispute litigated in a court or by a jury trial. The parties are giving up their judicial rights to discovery and appeal, unless such rights are specifically included in this Section 10(h). The parties acknowledge and agree that their agreement to this arbitration provision is voluntary. FOR THE AVOIDANCE OF DOUBT AND IN FURTHERANCE OF THE FOREGOING, EACH PARTY HERETO HEREBY WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE OR ACTION, CLAIM, CAUSE OF ACTION OR SUIT (IN CONTRACT, TORT OR OTHERWISE), INQUIRY, PROCEEDING OR INVESTIGATION ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE SUBJECT MATTER HEREOF OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE TRANSACTIONS CONTEMPLATED HEREBY, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING.

(i) Other Activities. To the fullest extent permitted by law: (i) any Covered Person (as defined below) shall have the right to, and shall have no duty (contractual or otherwise) not to, directly or indirectly: (A) engage or otherwise participate in any manner whatsoever in the same, similar or competing business activities or lines of business as the Company or its subsidiaries, (B) do business with any client or customer of the Company or its subsidiaries, or (C) make investments in competing businesses of the Company or its subsidiaries, and such acts shall not be deemed wrongful or improper; (ii) no Covered Person shall be liable to the Company or its subsidiaries, for breach of any duty (contractual or otherwise), including without limitation fiduciary duties, by reason of any such activities or of such person's participation therein; and (iii) in the event any Covered Person acquires knowledge of a potential transaction or matter that may be a corporate opportunity for the Company or its subsidiaries, on the one hand, and a Covered Person, on the other hand, or any other person, no Covered Person shall have any duty (contractual or otherwise), including without limitation fiduciary duties, to communicate, present or offer such corporate opportunity to the Company or its subsidiaries and shall not be liable to the Company or its subsidiaries for breach of any duty (contractual or otherwise), including without limitation fiduciary duties, by reason of the fact that the Covered Person directly or indirectly pursues or acquires such opportunity for itself, directs such opportunity to another person, or does not present or communicate such opportunity to the Company or its subsidiaries, even though such corporate opportunity may be of a character that, if presented to the Company or its subsidiaries, could be taken by the Company or its subsidiaries. The Company renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, any such opportunity. "Covered Persons" include Vista Equity Partners Fund VI, L.P., Vista Equity Partners Fund VI-A, L.P., and VEPF VI FAF, L.P., Vista Equity Partners Management, LLC and their respective affiliates and any of their respective managed investment funds and portfolio companies (excluding the Company and its subsidiaries) and their respective partners, members, directors, managers, employees, stockholders, agents, any successor by operation of law (including by merger) of any such

person, and any entity that acquires all or substantially all of the assets of any such person in a single transaction or series of related transactions. Notwithstanding anything in this Section 10(i) to the contrary, for so long as VEP and its affiliates hold at least 50.1% of the outstanding membership interests of Topco, to the extent of any conflict between this Section 10(i) and the Amended and Restated Limited Liability Company Agreement of Topco (the "Topco LLC Agreement"), the Topco LLC Agreement shall control.

(j) Complete Agreement. This Agreement, together with the Data Protection Addendum, embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes and preempts any prior understandings, agreements or representations by or among such parties, written or oral, which may have related to the subject matter hereof in any way.

\* \* \* \*

IN WITNESS WHEREOF, the parties hereto have executed this Management Agreement on the date first written above.

VISTA EQUITY PARTNERS MANAGEMENT, LLC

By: VEP Group, LLC  
Its: Senior Managing Member

By: /s/ Robert F. Smith

Name: Robert F. Smith  
Title: Managing Member

KAVACHA TOPCO, LLC

By: /s/ Michael Fosnaugh

Name: Michael Fosnaugh  
Title: Vice President

KAVACHA INTERMEDIATE, LLC

By: /s/ Michael Fosnaugh

Name: Michael Fosnaugh  
Title: Vice President

KAVACHA HOLDINGS, INC.

By: /s/ Michael Fosnaugh

Name: Michael Fosnaugh  
Title: Vice President

INTEGRAL AD SCIENCE, INC.

By: /s/ Don Epperson

Name: Don Epperson  
Title: Chief Executive Officer

{Management Agreement}

## DATA PROTECTION ADDENDUM

This Data Protection Addendum (“**DPA**”), which forms part of the Management Agreement (“**Agreement**”) among: (i) Vista Equity Partners Management, LLC (“**VEP**”); (ii) Kavacha Topco, LLC, a Delaware limited liability company (“**Topco**”); Kavacha Intermediate, LLC, a Delaware limited liability company (“**Intermediate**”); Kavacha Holdings, Inc., a Delaware corporation (“**Parent**”); and Integral Ad Science, Inc., a Delaware corporation (“**IAS**”, and together with Topco, Intermediate and Parent, as any such company’s name or corporate form may change from time to time and such company’s successors and assigns, the “**Company**”), to which it is attached, reflects the Parties’ agreement with regards to the processing of EU Personal Data. Each of VEP and Company may be referred to herein as a “Party” or the “Parties”.

The DPA applies to VEP’s processing of Personal Data provided by the Company or/and its affiliates to VEP. Except as expressly stated otherwise, in the event of any conflict between the terms of this DPA, including any policies or appendices referenced herein, and the Agreement, the terms of this DPA shall take precedence.

### **1. Definitions**

1.1 In this Addendum, the following terms shall have the meanings set out below and cognate terms shall be construed accordingly:

- 1.1.1 “**Company**” is as defined above;
- 1.1.2 “**Data Protection Legislation**” means all applicable legislation relating to the protection and processing of Personal Data in any relevant jurisdiction, including (without limitation): the Data Protection Directive (95/46/EC), the Privacy and Electronic Communications (EC Directive) Regulations 2003, the Data Protection (Processing of Sensitive Personal Data) Order 2000, or any other legislation which implements any other current or future legal act of the European Union concerning the protection and processing of personal data (including Regulation (EU) 2016/679 (the General Data Protection Regulation) and any national implementing or successor legislation), and including any amendment or re-enactment of the foregoing;
- 1.1.3 “**Personal Data**” has the meaning given to it in the Data Protection Legislation and relates only to personal data, or any part of such personal data, of which VEP is a controller in connection with the performance of its obligations under this DPA and the Agreement;
- 1.1.4 “**Standard Contractual Clauses**” means the standard contractual clauses for the transfer of Personal Data from the EU to controllers established in third countries (controller to controller transfers), as set out in the Annex to Commission Decision 2004/915/EC and attached at Schedule 1 hereto; and
- 1.1.5 “**VEP**” means Vista Equity Partners Management, LLC.



- 1.2 The terms, “**Data Subject**”, “**processing and process**”, “**supervisory authority**”, and “**controller**”, “**processor**” and “**appropriate technical and organisational measures**” shall have the meanings given to them in the Data Protection Legislation.
- 1.3 The word “**include**” shall be construed to mean include without limitation, and cognate terms shall be construed accordingly.
- 2. Data Protection**
- 2.1 The Parties acknowledge and agree that, for the purposes of the Data Protection Legislation, VEP is a controller of the Personal Data. VEP shall comply, and take all reasonable steps to cause its employees, agents and subcontractors to comply, with its obligations under applicable Data Protection Legislation.
- 2.2 VEP shall: (i) only process the Personal Data to the extent necessary to exercise its rights, and perform its obligations, under the Agreement and this DPA; and (ii) shall not do or omit to do anything that would cause the Company (or its affiliates) to breach its obligations under Data Protection Legislation.
- 2.3 VEP shall implement appropriate technical and organisational measures to ensure a level of security of the Personal Data appropriate to the risk, taking into account the state of the art, the costs of implementation and the nature, scope, context and purpose of processing.
- 2.4 In the event of a notice, dispute or claim brought by a data subject, supervisory authority, or other third party concerning the processing of the Personal Data against either or both Parties, the Parties will inform each other about any such notices, disputes or claims, and will cooperate with each other to resolve the matter with the relevant data subject, supervisory authority or other third party. The Parties agree to provide reasonable assistance to each other to enable each Party to comply with any data subject requests in respect of the Personal Data that are received by either Party under Data Protection Legislation and to respond to any other queries or complaints from data subjects.
- 2.5 VEP shall only transfer the Personal Data to, or process the Personal Data in, any country outside the European Economic Area in accordance with Data Protection Legislation (which may include VEP entering into the Standard Contractual Clauses).

IN WITNESS WHEREOF, this DPA is entered into and becomes a binding part of the Agreement with effect from the date first set out above.

KAVACHA TOPCO, LLC

By: /s/ Michael Fosnaugh  
Name: Michael Fosnaugh  
Title: Vice President

KAVACHA INTERMEDIATE, LLC

By: /s/ Michael Fosnaugh  
Name: Michael Fosnaugh  
Title: Vice President

KAVACHA HOLDINGS, INC.

By: /s/ Michael Fosnaugh  
Name: Michael Fosnaugh  
Title: Vice President

INTEGRAL AD SCIENCE, INC.

By: /s/ Don Epperson  
Name: Don Epperson  
Title: Chief Executive Officer

Dated: July 19, 2018

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**VISTA EQUITY PARTNERS MANAGEMENT, LLC**

By: /s/ Robert F. Smith

Name: Robert F. Smith

Title: Managing Member

Dated: July 19, 2018

Schedule 1



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL JUSTICE

Directorate C: Fundamental rights and Union citizenship  
**Unit C.3: Data protection**

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Commission Decision C(2004)5721

SET II

**Standard contractual clauses for the transfer of personal data from the Community to third countries (controller to controller transfers)**

Data transfer agreement

between

KAVACHA TOPCO, LLC; KAVACHA INTERMEDIATE, LLC; KAVACHA HOLDINGS, INC.; and INTEGRAL AD SCIENCE, INC. \_\_\_\_\_ (name)

*c/o Vista Equity Partners Management, LLC, 4 Embarcadero Center, 20<sup>th</sup> Floor, San Francisco, CA 94111* (address and country of establishment)

hereinafter “data exporter”

and

VISTA EQUITY PARTNERS MANAGEMENT, LLC \_\_\_\_\_ (name)

*4 Embarcadero Center, 20<sup>th</sup> Floor, San Francisco, CA 94111* \_\_\_\_\_ (address and country of establishment)

hereinafter “data importer”

each a “party”; together “the parties”.

**Definitions**

For the purposes of the clauses:

- a) “personal data”, “special categories of data/sensitive data”, “process/processing”, “controller”, “processor”, “data subject” and “supervisory authority/authority” shall have the same meaning as in Directive 95/46/EC of 24 October 1995 (whereby “the authority” shall mean the competent data protection authority in the territory in which the data exporter is established);
- b) “the data exporter” shall mean the controller who transfers the personal data;
- c) “the data importer” shall mean the controller who agrees to receive from the data exporter personal data for further processing in accordance with the terms of these clauses and who is not subject to a third country’s system ensuring adequate protection;
- d) “clauses” shall mean these contractual clauses, which are a free-standing document that does not incorporate commercial business terms established by the parties under separate commercial arrangements.

The details of the transfer (as well as the personal data covered) are specified in Annex B, which forms an integral part of the clauses.

## **I. Obligations of the data exporter**

The data exporter warrants and undertakes that:

- a) The personal data have been collected, processed and transferred in accordance with the laws applicable to the data exporter.
- b) It has used reasonable efforts to determine that the data importer is able to satisfy its legal obligations under these clauses.
- c) It will provide the data importer, when so requested, with copies of relevant data protection laws or references to them (where relevant, and not including legal advice) of the country in which the data exporter is established.
- d) It will respond to enquiries from data subjects and the authority concerning processing of the personal data by the data importer, unless the parties have agreed that the data importer will so respond, in which case the data exporter will still respond to the extent reasonably possible and with the information reasonably available to it if the data importer is unwilling or unable to respond. Responses will be made within a reasonable time.
- e) It will make available, upon request, a copy of the clauses to data subjects who are third party beneficiaries under clause III, unless the clauses contain confidential information, in which case it may remove such information. Where information is removed, the data exporter shall inform data subjects in writing of the reason for removal and of their right to draw the removal to the attention of the authority. However, the data exporter shall abide by a decision of the authority regarding access to the full text of the clauses by data subjects, as long as data subjects have agreed to respect the confidentiality of the confidential information removed. The data exporter shall also provide a copy of the clauses to the authority where required.

## **II. Obligations of the data importer**

The data importer warrants and undertakes that:

- a) It will have in place appropriate technical and organisational measures to protect the personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access, and which provide a level of security appropriate to the risk represented by the processing and the nature of the data to be protected.
- b) It will have in place procedures so that any third party it authorises to have access to the personal data, including processors, will respect and maintain the confidentiality and security of the personal data. Any person acting under the authority of the data importer, including a data processor, shall be obligated to process the personal data only on instructions from the data importer. This provision does not apply to persons authorised or required by law or regulation to have access to the personal data.
- c) It has no reason to believe, at the time of entering into these clauses, in the existence of any local laws that would have a substantial adverse effect on the guarantees provided for under these clauses, and it will inform the data exporter (which will pass such notification on to the authority where required) if it becomes aware of any such laws.
- d) It will process the personal data for purposes described in Annex B, and has the legal authority to give the warranties and fulfil the undertakings set out in these clauses.
- e) It will identify to the data exporter a contact point within its organisation authorised to respond to enquiries concerning processing of the personal data, and will cooperate in good faith with the data exporter, the data subject and the authority concerning all such enquiries within a reasonable time. In case of legal dissolution of the data exporter, or if the parties have so agreed, the data importer will assume responsibility for compliance with the provisions of clause I(e).
- f) At the request of the data exporter, it will provide the data exporter with evidence of financial resources sufficient to fulfil its responsibilities under clause III (which may include insurance coverage).
- g) Upon reasonable request of the data exporter, it will submit its data processing facilities, data files and documentation needed for processing to reviewing, auditing and/or certifying by the data exporter (or any independent or impartial inspection agents or auditors, selected by the data exporter and not reasonably objected to by the data importer) to ascertain compliance with the warranties and undertakings in these clauses, with reasonable notice and during regular business hours. The request will be subject to any necessary consent or approval from a regulatory or supervisory authority within the country of the data importer, which consent or approval the data importer will attempt to obtain in a timely fashion.

- h) It will process the personal data, at its option, in accordance with:
- i. the data protection laws of the country in which the data exporter is established, or
  - ii. the relevant provisions<sup>1</sup> of any Commission decision pursuant to Article 25(6) of Directive 95/46/EC, where the data importer complies with the relevant provisions of such an authorisation or decision and is based in a country to which such an authorisation or decision pertains, but is not covered by such authorisation or decision for the purposes of the transfer(s) of the personal data<sup>2</sup>, or
  - iii. the data processing principles set forth in Annex A.
- Data importer to indicate which option it selects: \_\_\_\_\_
- Initials of data importer: \_\_\_\_\_;
- i) It will not disclose or transfer the personal data to a third party data controller located outside the European Economic Area (EEA) unless it notifies the data exporter about the transfer and
- i. the third party data controller processes the personal data in accordance with a Commission decision finding that a third country provides adequate protection, or
  - ii. the third party data controller becomes a signatory to these clauses or another data transfer agreement approved by a competent authority in the EU, or
  - iii. data subjects have been given the opportunity to object, after having been informed of the purposes of the transfer, the categories of recipients and the fact that the countries to which data is exported may have different data protection standards, or
  - iv. with regard to onward transfers of sensitive data, data subjects have given their unambiguous consent to the onward transfer

### III. Liability and third party rights

- a) Each party shall be liable to the other parties for damages it causes by any breach of these clauses. Liability as between the parties is limited to actual damage suffered. Punitive damages (i.e. damages intended to punish a party for its outrageous conduct) are specifically excluded. Each party shall be liable to data subjects for damages it causes by any breach of third party rights under these clauses. This does not affect the liability of the data exporter under its data protection law.
- b) The parties agree that a data subject shall have the right to enforce as a third party beneficiary this clause and clauses I(b), I(d), I(e), II(a), II(c), II(d), II(e), II(h), II(i), III(a), V, VI(d) and VII against the data importer or the data exporter, for their respective breach of their contractual obligations, with regard to his personal data, and accept jurisdiction for this purpose in the data exporter's country of establishment. In cases involving allegations of breach by the data importer, the data subject must first request the data exporter to take appropriate action to enforce his rights against the data importer; if the data exporter does not take such action within a reasonable period (which under normal circumstances would be one month), the data subject may then enforce his rights against the data importer directly. A data subject is entitled to proceed directly against a data exporter that has failed to use reasonable efforts to determine that the data importer is able to satisfy its legal obligations under these clauses (the data exporter shall have the burden to prove that it took reasonable efforts).

<sup>1</sup> "Relevant provisions" means those provisions of any authorisation or decision except for the enforcement provisions of any authorisation or decision (which shall be governed by these clauses).

<sup>2</sup> However, the provisions of Annex A.5 concerning rights of access, rectification, deletion and objection must be applied when this option is chosen and take precedence over any comparable provisions of the Commission Decision selected.

#### **IV. Law applicable to the clauses**

These clauses shall be governed by the law of the country in which the data exporter is established, with the exception of the laws and regulations relating to processing of the personal data by the data importer under clause II(h), which shall apply only if so selected by the data importer under that clause.

#### **V. Resolution of disputes with data subjects or the authority**

- a) In the event of a dispute or claim brought by a data subject or the authority concerning the processing of the personal data against either or both of the parties, the parties will inform each other about any such disputes or claims, and will cooperate with a view to settling them amicably in a timely fashion.
- b) The parties agree to respond to any generally available non-binding mediation procedure initiated by a data subject or by the authority. If they do participate in the proceedings, the parties may elect to do so remotely (such as by telephone or other electronic means). The parties also agree to consider participating in any other arbitration, mediation or other dispute resolution proceedings developed for data protection disputes.
- c) Each party shall abide by a decision of a competent court of the data exporter's country of establishment or of the authority which is final and against which no further appeal is possible.

#### **VI. Termination**

- a) In the event that the data importer is in breach of its obligations under these clauses, then the data exporter may temporarily suspend the transfer of personal data to the data importer until the breach is repaired or the contract is terminated.
- b) In the event that:
  - i. the transfer of personal data to the data importer has been temporarily suspended by the data exporter for longer than one month pursuant to paragraph (a);
  - ii. compliance by the data importer with these clauses would put it in breach of its legal or regulatory obligations in the country of import;
  - iii. the data importer is in substantial or persistent breach of any warranties or undertakings given by it under these clauses;
  - iv. a final decision against which no further appeal is possible of a competent court of the data exporter's country of establishment or of the authority rules that there has been a breach of the clauses by the data importer or the data exporter; or
  - v. a petition is presented for the administration or winding up of the data importer, whether in its personal or business capacity, which petition is not dismissed within the applicable period for such dismissal under applicable law; a winding up order is made; a receiver is appointed over any of its assets; a trustee in bankruptcy is appointed, if the data importer is an individual; a company voluntary arrangement is commenced by it; or any equivalent event in any jurisdiction occurs

then the data exporter, without prejudice to any other rights which it may have against the data importer, shall be entitled to terminate these clauses, in which case the authority shall be informed where required. In cases covered by (i), (ii), or (iv) above the data importer may also terminate these clauses.

- c) Either party may terminate these clauses if (i) any Commission positive adequacy decision under Article 25(6) of Directive 95/46/EC (or any superseding text) is issued in relation to the country (or a sector thereof) to which the data is transferred and processed by the data importer, or (ii) Directive 95/46/EC (or any superseding text) becomes directly applicable in such country.
- d) The parties agree that the termination of these clauses at any time, in any circumstances and for whatever reason (except for termination under clause VI(c)) does not exempt them from the obligations and/or conditions under the clauses as regards the processing of the personal data transferred.

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**VII. Variation of these clauses**

The parties may not modify these clauses except to update any information in Annex B, in which case they will inform the authority where required. This does not preclude the parties from adding additional commercial clauses where required.

**VIII. Description of the Transfer**

The details of the transfer and of the personal data are specified in Annex B. The parties agree that Annex B may contain confidential business information which they will not disclose to third parties, except as required by law or in response to a competent regulatory or government agency, or as required under clause I(e). The parties may execute additional annexes to cover additional transfers, which will be submitted to the authority where required. Annex B may, in the alternative, be drafted to cover multiple transfers.



Dated:

FOR DATA IMPORTER  
**VISTA EQUITY PARTNERS MANAGEMENT, LLC**

By: /s/ Robert F. Smith  
Name: Robert F. Smith  
Title: Managing Member

Dated: July 19, 2018

FOR DATA EXPORTER  
**COMPANY**

KAVACHA TOPCO, LLC

By: /s/ Michael Fosnaugh  
Name: Michael Fosnaugh  
Title: Vice President

KAVACHA INTERMEDIATE, LLC

By: /s/ Michael Fosnaugh  
Name: Michael Fosnaugh  
Title: Vice President

KAVACHA HOLDINGS, INC.

By: /s/ Michael Fosnaugh  
Name: Michael Fosnaugh  
Title: Vice President

INTEGRAL AD SCIENCE, INC.

By: /s/ Don Epperson  
Name: Don Epperson  
Title: Chief Executive Officer

Dated: July 19, 2018

## ANNEX A

### DATA PROCESSING PRINCIPLES

1. Purpose limitation: Personal data may be processed and subsequently used or further communicated only for purposes described in Annex B or subsequently authorised by the data subject.
2. Data quality and proportionality: Personal data must be accurate and, where necessary, kept up to date. The personal data must be adequate, relevant and not excessive in relation to the purposes for which they are transferred and further processed.
3. Transparency: Data subjects must be provided with information necessary to ensure fair processing (such as information about the purposes of processing and about the transfer), unless such information has already been given by the data exporter.
4. Security and confidentiality: Technical and organisational security measures must be taken by the data controller that are appropriate to the risks, such as against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access, presented by the processing. Any person acting under the authority of the data controller, including a processor, must not process the data except on instructions from the data controller.
5. Rights of access, rectification, deletion and objection: As provided in Article 12 of Directive 95/46/EC, data subjects must, whether directly or via a third party, be provided with the personal information about them that an organisation holds, except for requests which are manifestly abusive, based on unreasonable intervals or their number or repetitive or systematic nature, or for which access need not be granted under the law of the country of the data exporter. Provided that the authority has given its prior approval, access need also not be granted when doing so would be likely to seriously harm the interests of the data importer or other organisations dealing with the data importer and such interests are not overridden by the interests for fundamental rights and freedoms of the data subject. The sources of the personal data need not be identified when this is not possible by reasonable efforts, or where the rights of persons other than the individual would be violated. Data subjects must be able to have the personal information about them rectified, amended, or deleted where it is inaccurate or processed against these principles. If there are compelling grounds to doubt the legitimacy of the request, the organisation may require further justifications before proceeding to rectification, amendment or deletion. Notification of any rectification, amendment or deletion to third parties to whom the data have been disclosed need not be made when this involves a disproportionate effort. A data subject must also be able to object to the processing of the personal data relating to him if there are compelling legitimate grounds relating to his particular situation. The burden of proof for any refusal rests on the data importer, and the data subject may always challenge a refusal before the authority.
6. Sensitive data: The data importer shall take such additional measures (e.g. relating to security) as are necessary to protect such sensitive data in accordance with its obligations under clause II.
7. Data used for marketing purposes: Where data are processed for the purposes of direct marketing, effective procedures should exist allowing the data subject at any time to “opt-out” from having his data used for such purposes.
8. Automated decisions: For purposes hereof “automated decision” shall mean a decision by the data exporter or the data importer which produces legal effects concerning a data subject or significantly affects a data subject and which is based solely on automated processing of personal data intended to evaluate certain personal aspects relating to him, such as his performance at work, creditworthiness, reliability, conduct, etc. The data importer shall not make any automated decisions concerning data subjects, except when:
  - a) i. such decisions are made by the data importer in entering into or performing a contract with the data subject, and
    - ii. the data subject is given an opportunity to discuss the results of a relevant automated decision with a representative of the parties making such decision or otherwise to make representations to that parties.

or

  - b) where otherwise provided by the law of the data exporter.

**ANNEX B**  
**DESCRIPTION OF THE TRANSFER**

(To be completed by the parties)

**Data subjects**

The personal data transferred concern the following categories of data subjects:

*Employees of the Company or affiliated entities, executives, directors, employee candidates, vendors, other business relationships.*

**Purposes of the transfer(s)**

The transfer is made for the following purposes:

*We process personal information to enable us to perform the management and consulting services provided under the Agreement (including, but not limited to management, finance, marketing, operational and strategic planning, relationship access, corporate development and analysis of potential mergers and acquisitions). We process Company candidates' data for administration, research, database development and business operation purposes. We also process personal information in order to maintain our own accounts and records, promote our services and to support and manage our employees and partners.*

**Categories of data**

The personal data transferred concern the following categories of data:

- personal details (e.g., name, title, email, address, taxpayer ID number, passport number, driver licence number etc.)
- financial details (e.g. compensation including bonus amounts and account information to facilitate payment)
- business of the person whose personal information we are processing (e.g., job title)
- education and employment details
- family details
- lifestyle and social circumstances
- photographs

**Recipients**

The personal data transferred may be disclosed only to the following recipients or categories of recipients:

- Vista Consulting Group, LLC
- Other affiliates, including affiliated investment funds and the limited partners thereof
- suppliers and service providers (e.g. data hosting providers, auditors and third parties undertaking KYC reviews and background checks, amongst others)
- business associates
- financial organisations
- ombudsman, regulatory and governmental authorities
- employment and recruitment agencies
- current, past or prospective employers
- healthcare professionals, social and welfare organisations (e.g., for HR-related benefits and pensions providers)
- educators and examining bodies
- trade associations and professional bodies
- debt collection and tracing agencies
- credit reference agencies
- complainants, enquirers
- courts and tribunals
- family, associates or representatives of the person whose personal data we are processing

**Sensitive data** (if appropriate)

The personal data transferred concern the following categories of sensitive data:

- physical or mental health details
- trade union membership
- offences and alleged offences
- criminal proceedings, outcomes and sentences

Data will be stored for no longer than is necessary for the purpose.

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**Contact points for data protection enquiries****Data importer**

Vista Equity Partners Management, LLC

4 Embarcadero Center, 20<sup>th</sup> Floor

San Francisco, CA 94111

**Data exporter**

Kavacha Topco, LLC

Kavacha Intermediate, LLC

Kavacha Holdings, Inc.

Integral Ad Science, Inc.

c/o Vista Equity Partners Management, LLC

4 Embarcadero Center, 20<sup>th</sup> Floor

San Francisco, CA 94111

## DIRECTOR NOMINATION AGREEMENT

THIS DIRECTOR NOMINATION AGREEMENT (this "Agreement") is made and entered into as of [•], 2021, by and among Integral Ad Science Holding Corp., a Delaware corporation (the "Company"), Vista Equity Partners Fund VI, L.P., Vista Equity Partners Fund VI-A, L.P., VEPF VI FAF, L.P., Vista Equity Partners Fund VI GP, L.P., VEPF VI GP, Ltd., and VEP Group, LLC (collectively, "Vista"). This Agreement shall be effective from the date hereof (the "Effective Date").

WHEREAS, as of the date hereof, Vista beneficially owns a majority of the equity interests in the Company;

WHEREAS, Vista is contemplating causing the Company to effect an initial public offering (the "IPO");

WHEREAS, Vista currently has the authority to appoint all directors of the Company;

WHEREAS, in consideration of Vista agreeing to undertake the IPO, the Company has agreed to permit Vista to designate persons for nomination for election to the board of directors of the Company (the "Board") following the Effective Date on the terms and conditions set forth herein;

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

1. Board Nomination Rights.

(a) From the Effective Date, Vista shall have the right, but not the obligation, to nominate to the Board a number of designees equal to at least: (i) 100% of the Total Number of Directors (as defined below), so long as Vista Beneficially Owns shares of common stock, par value \$0.001 per share (the "Common Stock") representing at least 40% of the Original Amount of Vista, (ii) 40% of the Total Number of Directors, in the event that Vista Beneficially Owns shares of Common Stock representing at least 30% but less than 40% of the Original Amount of Vista, (iii) 30% of the Total Number of Directors, in the event that Vista Beneficially Owns shares of Common Stock representing at least 20% but less than 30% of the Original Amount of Vista, (iv) 20% of the Total Number of Directors, in the event that Vista Beneficially Owns shares of Common Stock representing at least 10% but less than 20% of the Original Amount of Vista and (v) one Director, in the event that Vista Beneficially Owns shares of Common Stock representing at least 5% of the Original Amount of Vista (such persons, the "Nominees"). For purposes of calculating the number of directors that Vista is entitled to designate pursuant to the immediately preceding sentence, any fractional amounts shall automatically be rounded up to the nearest whole number (e.g., 1¼ Directors shall equate to 2 Directors) and any such calculations shall be made after taking into account any increase in the Total Number of Directors.

(b) In the event that Vista has nominated less than the total number of designees Vista shall be entitled to nominate pursuant to Section 1(a), Vista shall have the right, at any time, to nominate such additional designees to which it is entitled, in which case, the Company and the Directors shall take all necessary corporation action (including increasing the size of the Board to create a vacancy), to the fullest extent permitted by applicable law (including with respect to fiduciary duties under Delaware law), to (x) enable Vista to nominate and effect the election or appointment of such additional individuals, whether by increasing the size of the Board, or otherwise and (y) to designate such additional individuals nominated by Vista to fill such newly created vacancies or to fill any other existing vacancies.

(c) In addition to the nomination rights set forth in Section 1(a) above, from the Effective Date, for so long as Vista Beneficially Owns shares of Common Stock representing at least 5% of the Original Amount of Vista, Vista shall have the right, but not the obligation, to designate a person (a "Non-Voting Observer") to attend meetings of the Board (including any meetings of any committees thereof) in a non-voting observer capacity. Any such Non-Voting Observer shall be permitted to attend all meetings of the Board. Vista shall have the right to remove and replace its Non-Voting Observer at any time and from time to time. The Company shall furnish to any Non-Voting Observer (i) notices of Board meetings no later than, and using the same form of communication as, notice of Board meetings are furnished to directors and (ii) copies of any materials prepared for meetings of the Board that are furnished to the directors no later than the time such materials are furnished to the directors; provided that failure to deliver notice, or materials, to such Non-Voting Observer in connection with such Non-Voting Observer's right to attend and/or review materials with respect to, any meeting of the Board shall not, by itself, impair the validity of any action taken by such Board at such meeting. Such Non-Voting Observer shall be required to execute or otherwise become subject to any codes of conduct or confidentiality agreements of the Company generally applicable to directors of the Company or as the Company reasonably requests. Notwithstanding the foregoing, the Company reserves the right to withhold any information and to exclude the Non-Voting Observer from receiving any materials and/or attending any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel.

(d) The Company shall pay all reasonable out-of-pocket expenses incurred by the Nominees and the Non-Voting Observer in connection with the performance of his or her duties as a director or a Non-Voting Observer and in connection with his or her attendance at any meeting of the Board.

(e) "Affiliate" of any person shall mean any other person controlled by, controlling or under common control with such person; where "control" (including, with its correlative meanings, "controlling," "controlled by" and "under common control with") means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities, by contract or otherwise).

(f) "Beneficially Own" shall mean that a specified person has or shares the right, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, to vote shares of capital stock of the Company.

(g) “Director” means any member of the Board.

(h) “Original Amount of Vista” means the aggregate number of shares of Common Stock held, directly or indirectly, by Vista on the date hereof, as such number may be adjusted from time to time for any reorganization, recapitalization, stock dividend, stock split, reverse stock split or other similar changes in the Company’s capitalization.

(i) “Total Number of Directors” means the total number of Directors comprising the Board.

(j) No reduction in the number of shares of Common Stock that Vista Beneficially Owns shall shorten the term of any incumbent director. At the Effective Date, the Board shall be comprised of nine members and including Michael Fosnaugh, Rod Aliabadi, Martin Taylor, Brooke Nakatsukasa, Lisa Utzschneider, Jill Putman, Otto Berkes and Bridgette Heller, and Christina Lema as the director nominee to be approved as of the Effective Date.

(k) In the event that any Nominee shall cease to serve for any reason, Vista shall be entitled to designate such person’s successor in accordance with this Agreement (regardless of Vista’s beneficial ownership in the Company at the time of such vacancy) and the Board shall promptly fill the vacancy with such successor nominee; it being understood that any such designee shall serve the remainder of the term of the director whom such designee replaces.

(l) If a Nominee is not appointed or elected to the Board because of such person’s death, disability, disqualification, withdrawal as a nominee or for other reason is unavailable or unable to serve on the Board, Vista shall be entitled to designate promptly another nominee and the director position for which the original Nominee was nominated shall not be filled pending such designation.

(m) So long as Vista has the right to nominate Nominees under Section 1(a) or any such Nominee is serving on the Board, the Company shall use its reasonable best efforts to maintain in effect at all times directors and officers indemnity insurance coverage reasonably satisfactory to Vista, and the Company’s Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws (each as may be further amended, supplemented or waived in accordance with its terms) shall at all times provide for indemnification, exculpation and advancement of expenses to the fullest extent permitted under applicable law.

(n) If the size of the Board is expanded, Vista shall be entitled to nominate a number of Nominees to fill the newly created vacancies such that the total number of Nominees serving on the Board following such expansion will be equal to that number of Nominees that Vista would be entitled to nominate in accordance with Section 1(a) if such expansion occurred immediately prior to any meeting of the stockholders of the Company called with respect to the election of members of the Board, and the Board shall appoint such Nominees to the Board.

(o) At such time as the Company ceases to be a “controlled company” and is required by applicable law or NASDAQ Global Select Market (the “Exchange”) listing standards to have a majority of the Board comprised of “independent directors” (subject in each case to any applicable phase-in periods), Vista’s Nominees shall include a number of persons that qualify as “independent directors” under applicable law and the Exchange listing standards such that, together with any other “independent directors” then serving on the Board that are not Nominees, the Board is comprised of a majority of “independent directors.”

(p) At any time that Vista shall have any nomination rights under Section 1, the Company shall not take any action, including making or recommending any amendment to the Amended and Restated Certificate of Incorporation or the Company’s Amended and Restated Bylaws that could reasonably be expected to adversely affect Vista’s rights under this Agreement, in each case without the prior written consent of Vista.

(q) The Company recognizes that each Nominee (i) will from time to time receive non-public information concerning the Company, and (ii) may share such information with other individuals associated with Vista that designated such Nominee. The Company hereby irrevocably consents to such sharing. Vista agrees that it will keep confidential and not disclose or divulge to any third party any confidential information regarding the Company it receives from the Company or a Nominee, unless such information (x) is available or becomes available to the public in general, (y) is or has been independently developed or conceived by Vista without use of the Company’s confidential information or (z) is or has been made known or disclosed to Vista by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that Vista may disclose confidential information (I) to its Affiliates (other than portfolio companies), (II) to each of its and its Affiliate’s (other than portfolio companies) attorneys, accountants, consultants, advisors and other professionals to the extent necessary to obtain their services in connection with evaluating the information, or (III) as may be required by law or legal, judicial or regulatory process or requested by any regulatory or self-regulatory authority or examiner, provided that Vista takes reasonable steps to minimize the extent of any required disclosure described in this clause (III)

2. Company Obligations. The Company agrees to use its reasonable best efforts to ensure that prior to the date that Vista and its Affiliates cease to Beneficially Own shares of Common Stock representing at least 5% of the total voting power of the then outstanding Common Stock, (i) each Nominee is included in the Board’s slate of nominees to the stockholders (the “Board’s Slate”) for each election of directors; and (ii) each Nominee is included in the proxy statement prepared by management of the Company in connection with soliciting proxies for every meeting of the stockholders of the Company called with respect to the election of members of the Board (each, a “Director Election Proxy Statement”), and at every adjournment or postponement thereof, and on every action or approval by written consent of the stockholders of the Company or the Board with respect to the election of members of the Board. Vista will promptly provide reporting to the Company after Vista ceases to Beneficially Own shares of Common Stock representing at least 5% of the total voting power of the then outstanding Common Stock, such that Company is informed of when this obligation terminates. The calculation of the number of Nominees that Vista is entitled to nominate to the Board’s Slate for any election of directors shall be based on the percentage of the total voting power of the then outstanding Common Stock then Beneficially Owned by Vista (“Vista Voting Control”) immediately prior to the mailing to shareholders of the Director Election Proxy Statement relating to such election (or, if earlier, the filing of the definitive Director Election Proxy Statement with the U.S. Securities and Exchange



Commission). Unless Vista notifies the Company otherwise prior to the mailing to shareholders of the Director Election Proxy Statement relating to an election of directors (or, if earlier, the filing of the definitive Director Election Proxy Statement with the U.S. Securities and Exchange Commission), the Nominees for such election shall be presumed to be the same Nominees currently serving on the Board, and no further action shall be required of Vista for the Board to include such Nominees on the Board's Slate; provided, that, in the event Vista is no longer entitled to nominate the full number of Nominees then serving on the Board, Vista shall provide advance written notice to the Company, of which currently servicing Nominee(s) shall be excluded from the Board Slate, and of any other changes to the list of Nominees. If Vista fails to provide such notice prior to the mailing to shareholders of the Director Election Proxy Statement relating to such election (or, if earlier, the filing of the definitive Director Election Proxy Statement with the U.S. Securities and Exchange Commission), a majority of the independent directors then serving on the Board shall determine which of the Nominees of Vista then serving on the Board will be included in the Board's Slate. Furthermore, the Company agrees for so long as the Company qualifies as a "controlled company" under the rules of the Exchange the Company will elect to be a "controlled company" for purposes of the Exchange and will disclose in its annual meeting proxy statement that it is a "controlled company" and the basis for that determination. The Company and Vista acknowledge and agree that, as of the Effective Date, the Company is a "controlled company." The Company agrees to provide written notice of the preparation of a Director Election Proxy Statement to the Lead Sponsors at least 20 business days, but no more than 40 business days, prior to the earlier of the mailing and the filing date of any Director Election Proxy Statement.

3. Committees. From and after the Effective Date hereof until such time as Vista and its Affiliates cease to Beneficially Own shares of Common Stock representing at least 5% of the total voting power of the then outstanding Common Stock, Vista shall have the right to designate a number of members of each committee of the Board equal to the nearest whole number greater than the product obtained by multiplying (a) the percentage of the total voting power of the then outstanding Common Stock then Beneficially Owned by Vista and (b) the number of positions, including any vacancies, on the applicable committee, provided that any such designee shall be a director and shall be eligible to serve on the applicable committee under applicable law or listing standards of the Exchange, including any applicable independence requirements (subject in each case to any applicable exceptions, including those for newly public companies and for "controlled companies," and any applicable phase-in periods). Any additional members shall be determined by the Board. Nominees designated to serve on a Board committee shall have the right to remain on such committee until the next election of directors, regardless of the level of Vista Voting Control following such designation. Unless Vista notifies the Company otherwise prior to the time the Board takes action to change the composition of a Board committee, and to the extent Vista has the requisite Vista Voting Control for Vista to nominate a Board committee member at the time the Board takes action to change the composition of any such Board committee, any Nominee currently designated by Vista to serve on a committee shall be presumed to be re-designated for such committee.

4. Amendment and Waiver. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by the Company and Vista, or in the case of a waiver, by the party against whom the waiver is to be effective. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law. Vista shall not be obligated to nominate all (or any) of the Nominees it is entitled to nominate pursuant to this Agreement for any election of directors but the failure to do so shall not constitute a waiver of its rights hereunder with respect to future elections; provided, however, that in the event Vista fails to nominate all (or any) of the Nominees it is entitled to nominate pursuant to this Agreement prior to the mailing to shareholders of the Director Election Proxy Statement relating to such election (or, if earlier, the filing of the definitive Director Election Proxy Statement with the U.S. Securities and Exchange Commission), the Compensation and Nominating Committee of the Board shall be entitled to nominate individuals in lieu of such Nominees for inclusion in the Board's Slate and the applicable Director Election Proxy Statement with respect to the election for which such failure occurred and Vista shall be deemed to have waived its rights hereunder with respect to such election. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

5. Benefit of Parties. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and assigns. Notwithstanding the foregoing, the Company may not assign any of its rights or obligations hereunder without the prior written consent of Vista. Except as otherwise expressly provided in Section 6, nothing herein contained shall confer or is intended to confer on any third party or entity that is not a party to this Agreement any rights under this Agreement.

6. Assignment. Upon written notice to the Company, Vista may assign to any Affiliate of Vista (other than a portfolio company) all of its rights hereunder and, following such assignment, such assignee shall be deemed to be "Vista" for all purposes hereunder.

#### 7. Indemnification.

(a) The Company shall defend, indemnify and hold harmless Vista, its Affiliates, partners, employees, agents, directors, managers, officers and controlling persons (collectively, the "Indemnified Parties") from and against any and all actions, causes of action, suits, claims, liabilities, losses, damages, costs, expenses, or obligations of any kind or nature (whether accrued or fixed, absolute or contingent) in connection therewith (including reasonable attorneys' fees and expenses) incurred by the Indemnified Parties before or after the date of this Agreement (each, an "Action") arising directly or indirectly out of, or in any way relating to, (i) Vista's or its Affiliates' beneficial ownership of Common Stock or other equity securities of the Company or control or ability to influence the Company or any of its subsidiaries (other than any such Actions (x) to the extent such Actions arise out of any breach of this Agreement by an Indemnified Party or its Affiliates or the breach of any fiduciary or other duty or obligation of such Indemnified Party to its direct or indirect equity holders, creditors or Affiliates or (y) to the extent such Actions are directly caused by such person's willful misconduct), (ii) the business, operations, properties, assets or other rights or liabilities of the Company or any of its subsidiaries or (iii) any services provided prior, on or after the date of this Agreement by Vista or its Affiliates to the Company or any of its subsidiaries. The Company shall defend at its own cost and expense in respect of any Action which may be brought against the Company and/or its Affiliates and the Indemnified

Parties. The Company shall defend at its own cost and expense any and all Actions which may be brought in which the Indemnified Parties may be impleaded with others upon any Action by the Indemnified Parties, except that if such damage shall be proven to be the direct result of gross negligence, bad faith or willful misconduct by any of the Indemnified Parties, then such Indemnified Party shall reimburse the Company for the costs of defense and other costs incurred by the Company in proportion to such Indemnified Party's culpability as proven. In the event of the assertion against any Indemnified Party of any Action or the commencement of any Action, the Company shall be entitled to participate in such Action and in the investigation of such Action and, after written notice from the Company to such Indemnified Party, to assume the investigation or defense of such Action with counsel of the Company's choice at the Company's expense; provided, however, that such counsel shall be reasonably satisfactory to the Indemnified Party. Notwithstanding anything to the contrary contained herein, the Company may retain one firm of counsel to represent all Indemnified Parties in such Action; provided, however, that the Indemnified Party shall have the right to employ a single firm of separate counsel (and any necessary local counsel) and to participate in the defense or investigation of such Action and the Company shall bear the expense of such separate counsel (and local counsel, if applicable), if (x) in the opinion of counsel to the Indemnified Party use of counsel of the Company's choice could reasonably be expected to give rise to a conflict of interest, (y) the Company shall not have employed counsel satisfactory to the Indemnified Party to represent the Indemnified Party within a reasonable time after notice of the assertion of any such Action or (z) the Company shall authorize the Indemnified Party to employ separate counsel at the Company's expense. The Company further agrees that with respect to any Indemnified Party who is employed, retained or otherwise associated with, or appointed or nominated by, Vista or any of its Affiliates and who acts or serves as a director, officer, manager, fiduciary, employee, consultant, advisor or agent of, for or to the Company or any of its subsidiaries, that the Company or such subsidiaries, as applicable, shall be primarily liable for all indemnification, reimbursements, advancements or similar payments (the "Indemnity Obligations") afforded to such Indemnified Party acting in such capacity or capacities on behalf or at the request of the Company, whether the Indemnity Obligations are created by law, organizational or constituent documents, contract (including this Agreement) or otherwise. The Company hereby agrees that in no event shall the Company or any of its subsidiaries have any right or claim against Vista for contribution or have rights of subrogation against Vista through an Indemnified Party for any payment made by the Company or any of its subsidiaries with respect to any Indemnity Obligation. In addition, the Company hereby agrees that in the event that Vista pay or advance an Indemnified Party any expenses with respect to an Indemnity Obligation, the Company will, or will cause its subsidiaries to, as applicable, promptly reimburse Vista, for such payment or advance upon request; subject to the receipt by the Company of a written undertaking executed by the Indemnified Party and Vista, that makes such payment or advance to repay any such amounts if it shall ultimately be determined by a court of competent jurisdiction that such Indemnified Party was not entitled to be indemnified by the Company. The foregoing right to indemnity shall be in addition to any rights that any Indemnified Party may have at common law or otherwise and shall remain in full force and effect following the completion or any termination of the engagement. If for any reason the foregoing indemnification is unavailable to any Indemnified Party or insufficient to hold it harmless as and to the extent contemplated by this Section 7, then the Company shall contribute to the amount paid or payable by the Indemnified Party as a result of such Action in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Indemnified Party, as the case may be, on the other hand, as well as any other relevant equitable considerations.

(b) The Company hereby acknowledges that the certain of the Indemnified Parties have certain rights to indemnification, advancement of expenses and/or insurance provided by investment funds managed by Vista and certain of their Affiliates (collectively, the “Fund Indemnitors”). The Company hereby agrees with respect to any indemnification, hold harmless obligation, expense advancement or reimbursement provision or any other similar obligation whether pursuant to or with respect to this Agreement, the organizational documents of the Company or any of its subsidiaries or any other agreement, as applicable, (i) that the Company and its subsidiaries are the indemnitor of first resort (i.e., their obligations to the Indemnified Parties are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for claims, expenses or obligations arising out of the same or similar facts and circumstances suffered by any Indemnified Party are secondary), (ii) that the Company shall be required to advance the full amount of expenses incurred by any Indemnified Party and shall be liable for the full amount of all expenses, liabilities, obligations, judgments, penalties, fines, and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement, the organizational documents of the Company or any of its subsidiaries or any other agreement, as applicable, without regard to any rights any Indemnified Party may have against the Fund Indemnitors, and (iii) that the Company, on behalf of itself and each of its subsidiaries, irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all Actions against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of any Indemnified Party with respect to any Action for which any Indemnified Party has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of any Indemnified Party against the Company. The Company agrees that the Fund Indemnitors are express third-party beneficiaries of the terms of this Section 7(b).

8. Headings. Headings are for ease of reference only and shall not form a part of this Agreement.

9. Governing Law. This Agreement shall be construed in accordance with and governed by the law of the State of Delaware without giving effect to the principles of conflicts of laws thereof.

10. Jurisdiction. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement may be brought against any of the parties in any federal court located in the State of Delaware or any Delaware state court, and each of the parties hereby consents to the exclusive jurisdiction of such court (and of the appropriate appellate courts) in any such suit, action or proceeding and waives any objection to venue laid therein. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each of the parties agrees that service of process upon such party at the address referred to in Section 16, together with written notice of such service to such party, shall be deemed effective service of process upon such party.

11. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

12. Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings and negotiations, both written and oral among the parties with respect to the subject matter hereof.

13. Counterparts; Effectiveness. This Agreement may be signed in any number of counterparts, each of which shall be deemed an original. This Agreement shall become effective when each party shall have received a counterpart hereof signed by each of the other parties. An executed copy or counterpart hereof delivered by facsimile shall be deemed an original instrument.

14. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

15. Further Assurances. Each of the parties hereto shall execute and deliver such further instruments and do such further acts and things as may be required to carry out the intent and purpose of this Agreement.

16. Specific Performance. Each of the parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any federal or state court located in the State of Delaware, in addition to any other remedy to which they are entitled at law or in equity.

17. Notices. All notices, requests and other communications to any party or to the Company shall be in writing (including telecopy or similar writing) and shall be given,

If to the Company:

Integral Ad Science Holding Corp.  
95 Morton St, FL 8  
New York, NY 10014  
Attention: Micah Nesson, General Counsel  
Email: \*\*\*\*\*

With a copy to (which shall not constitute notice):

Kirkland & Ellis LLP  
300 North LaSalle Street

Chicago, IL 60654  
Attention: Robert Hayward, P.C.  
Robert Goedert, P.C.  
Email: \*\*\*\*\*

If to any member of Vista or any Nominee:

c/o Vista Equity Partners  
4 Embarcadero Center  
20th Floor  
San Francisco, California 94111  
Attention: David Breach  
Christina Lema  
Facsimile: \*\*\*\*\*

With a copy to (which shall not constitute notice):

Kirkland & Ellis LLP  
300 North LaSalle Street  
Chicago, IL 60654  
Attention: Robert Hayward, P.C.  
Robert Goedert, P.C.  
Email: \*\*\*\*\*

or to such other address or telecopier number as such party or the Company may hereafter specify for the purpose by notice to the other parties and the Company. Each such notice, request or other communication shall be effective when delivered at the address specified in this Section 16 during regular business hours.

18. Enforcement. Each of the parties hereto covenant and agree that the disinterested members of the Board have the right to enforce, waive or take any other action with respect to this Agreement on behalf of the Company.

\* \* \* \* \*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

**INTEGRAL AD SCIENCE HOLDING CORP.**

By: \_\_\_\_\_  
Name:  
Title:

**VISTA EQUITY PARTNERS FUND VI, L.P.**

By: VISTA EQUITY PARTNERS FUND VI GP, L.P.  
Its: General Partner

By: VEPF VI GP, Ltd.  
Its: General Partner

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

**VISTA EQUITY PARTNERS FUND VI-A, L.P.**

By: VISTA EQUITY PARTNERS FUND VI GP, L.P.  
Its: General Partner

By: VEPF VI GP, Ltd.  
Its: General Partner

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

**VEPF VI FAF, L.P.**

By: VISTA EQUITY PARTNERS FUND VI GP, L.P.  
Its: General Partner

By: VEPF VI GP, Ltd.  
Its: General Partner

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

*[Signature Page to Director Nomination Agreement]*

**VISTA EQUITY PARTNERS FUND VI GP, L.P.**

By: VEPF VI GP, Ltd.  
Its: General Partner

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

**VEPF VI GP, Ltd.**

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Director

**VEP GROUP, LLC**

By: \_\_\_\_\_  
Name: Robert F. Smith  
Its: Managing Member

*[Signature Page to Director Nomination Agreement]*



December 3, 2018

Lisa Utzschneider

c/o Integral Ad Science, Inc.  
95 Morton St, FL 8  
New York, NY 10014

Re: Employment with Integral Ad Science, Inc.

Dear Lisa:

This letter sets forth the terms of your employment by Integral Ad Science, Inc. (the “**Company**”). We value the role that you can serve with the Company.

1. You will be the Chief Executive Officer of the Company, reporting to the Board of Directors. In this capacity, you will have the responsibilities and duties consistent with such position.

2. Your starting base salary will be \$500,000 on an annualized basis, less deductions and withholdings required by law or authorized by you, and will be subject to review annually for any increases or decreases (the “**Base Salary**”); provided, however, that any decreases shall not be greater than ten percent (10%) of your then current Base Salary and will only be implemented in conjunction with a general decrease affecting the executive management team. Your Base Salary will be paid by the Company in regular installments in accordance with the Company’s general payroll practices as in effect from time to time.

3. With respect to your bonus opportunities for each bonus period beginning on and after January 1, 2018, you will be eligible to receive a discretionary bonus of up to 50% of your Base Salary (the “**Bonus**”). Your 2018 Bonus will be paid on a pro rata basis. The Bonus will be awarded at the sole discretion of the Board of Directors of the Company (the “**Board**”), based on the Board’s reasonable determination as to your achievement of predetermined thresholds which may include, but are not limited to, management by objectives (“**MBOs**”) and financial targets such as revenue, recurring revenue, gross profit and/or EBITDA targets. In addition, with respect to each bonus period beginning on or after January 1, 2019, you will also be eligible each calendar year for an additional discretionary bonus of up to 50% of your Base Salary, awarded at the sole discretion of the Board based on the Board’s reasonable determination as to your achievement of “stretch” targets (the “**Stretch Bonus**”).

The bonus formulas, MBOs, performance milestones and all other elements of your bonus opportunities shall be established by the Board in its sole discretion, and communicated in writing (including by e-mail) to you from time to time. Any bonus awarded for a fiscal year shall be paid within thirty (30) days after the Board has received, reviewed and approved the applicable fiscal year’s final audited financial statements. In any event, payment of any bonus that is awarded with respect to a fiscal year shall be paid in the calendar year following the fiscal year in which such bonus was awarded, subject, in each case, to your continued employment for thirty (30) days after the conclusion of the fiscal year for which the bonus is awarded.

4. You will also be eligible to participate in regular health, dental and vision insurance plans and other employee benefit plans established by the Company applicable to executive-level employees from time to time, so long as they remain generally available to the Company’s executive-level employees.

5. Your position is will be based in New York, NY. Your duties may involve extensive domestic and international travel.

6. You will be eligible to receive that number of options to purchase Units (the “**Unit Options**”) of Kavacha Topco, LLC (“**Topco**”), which Unit Options shall represent approximately 2.10% of the fully-diluted equity securities of Topco at the time of issuance, subject to the following:

(a) All Unit Options will be subject to the terms (including the vesting and exercisability terms) as set forth in the Kavacha Topco, LLC 2018 Non-Qualified Unit Option Plan (the “**Option Plan**”) and a Unit Option Agreement to which you will be a party (the “**Unit Option Agreement**”). The grant of such Unit Options is also subject to Topco’s Board of Managers’ approval. Our intent to recommend such approval is not a promise of compensation and is not intended to create any obligation on the part of the Company or Topco. Further details on the Unit Options and any specific grant of Unit Options to you will be provided upon approval of such grant by the Board of Topco.

(b) Your Unit Options, if granted, will vest as follows (it being understood that such vesting shall be subject to your continued employment by the Company through the applicable vesting event):

- (i) 66.67% of the Unit Options would be subject to time-based vesting over four (4) years, with 25% vesting upon the date that is twelve (12) months after the grant effective date and an additional 6.25% of such Unit Options vesting at the end of each full three (3) calendar month period thereafter (the vesting of any such unvested time-based options would be accelerated upon a change of control of Topco, as defined in the Option Plan); and
- (ii) 33.33% of the Unit Options would vest if one or more equity buyout investment funds managed or controlled by Vista Equity Partners Management, LLC, and any of such funds’ respective portfolio companies (collectively, “**Vista**”) received cumulative cash distributions or other cash proceeds, contributions and/or net sale proceeds in respect of the equity securities of Topco or its subsidiaries held by Vista or any loans provided to Topco or its subsidiaries by Vista (“**Vista’s Return**”) such that Vista’s Return in the aggregate equals or exceeds three hundred percent (300%) of Vista’s total investment in Topco and its subsidiaries (whether in exchange for equity, indebtedness or otherwise) (calculated pursuant to the formula set forth in the Unit Option Agreement).
- (iii) Notwithstanding anything in the Option Plan, the Unit Option Agreement or this letter to the contrary, in the event that such sale proceeds include non-cash consideration, the value of such non-cash consideration shall be determined by the Board in its good faith discretion in order to determine if the above vesting thresholds have been met. If such thresholds have been met, you will receive an equal proportion of your proceeds from the sale of any equity securities of the Company in such non-cash consideration.

7. There are some formalities that you need to complete as a condition of your continued employment:

- You must carefully consider and sign the Company's standard "Employment and Restrictive Covenants Agreement" (attached to this letter as **Exhibit A**). Because the Company and its affiliates are engaged in a continuous program of research, development, production and marketing in connection with their business, we wish to reiterate that it is critical for the Company and its affiliates to preserve and protect its proprietary information and its rights in inventions.
- So that the Company has proper records of inventions that may belong to you, we ask that you also complete Schedule 1 attached to **Exhibit A**.
- You and the Company mutually agree that any disputes that may arise regarding your employment will be submitted to binding arbitration by the American Arbitration Association. As a condition of your employment, you will need to carefully consider and voluntarily agree to the Mandatory Arbitration Agreement set forth in **Exhibit B**.

8. We also wish to remind you that, as a condition of your employment, you are expected to abide by Topco's, the Company's, and their direct and indirect subsidiaries' policies and procedures, which policies and procedures will be made available to you and may be amended from time to time at the Company's sole discretion, and employees will be notified of any amendments to such policies and procedures.

9. Your employment with the Company is at-will. The Company may terminate your employment at any time with or without notice, and for any reason or no reason. Notwithstanding any provision to the contrary contained in **Exhibit A**, you shall be entitled to terminate your employment with the Company at any time and for any reason or no reason by giving notice in writing to the Company of not less than four (4) weeks ("**Notice Period**"), unless otherwise agreed to in writing by you and the Company. In the event of such notice, the Company reserves the right, in its discretion, to give immediate effect to your resignation in lieu of requiring or allowing you to continue work throughout the Notice Period; provided that the Company pays your Base Salary in lieu of the Notice Period. You shall continue to be an employee of the Company during the Notice Period, and thus owe to the Company the same duty of loyalty you owed it prior to giving notice of your termination. The Company may, during the Notice Period, relieve you of all of your duties and prohibit you from entering the Company's offices.

10. If the Company terminates your employment without "Cause" or you voluntarily terminate your employment for a "Good Reason", you will be entitled to receive a severance payment (the "**Severance Pay**") equal to 12 months of your then applicable Base Salary, payable in equal installments over the 12 month period following your termination, and, at the sole discretion of the Board, a pro-rated portion of any Bonus that may have been awarded to you during the fiscal year in which such termination occurs, less deductions and withholdings required by law or authorized by you and subject to (A) your timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA") and (B) your continued copayment of premiums at the same level and cost to you as if you were an employee of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent

permitted under applicable law and the terms of such plan) which covers you for a period of twelve months at the Company's expense, provided that you are eligible and remain eligible for COBRA coverage; provided, further, that the Company's obligation to subsidize COBRA premiums is contingent on the Company determining that such subsidies would reasonably be expected to not result in the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that you obtain other employment that offers group health benefits, such continuation of coverage by the Company under this Section 10 shall immediately cease, subject to the following:

(a) For purposes of this section, "Cause" and "Good Reason" have the meanings set forth in Exhibit C attached hereto.

(b) The Company will not be required to pay the Severance Pay unless (i) you execute and deliver to the Company an agreement ("Release Agreement") in a form satisfactory to the Company releasing from all liability (other than as set forth below) the Company, each member of the Company, and any of their respective past or present officers, directors, managers, employees investors, agents or affiliates, including Vista, and you do not revoke such Release Agreement during any applicable revocation period, (ii) such Release Agreement is executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the date of your termination of employment, and (iii) you have not breached the provisions of Sections 4 through 10 and 16 of Exhibit A, the terms of this letter, the provisions of the Release Agreement, or any other material written agreement between you and the Company. If the Release Agreement is executed and delivered and no longer subject to revocation as provided in the preceding sentence, then the Severance Pay shall be paid in accordance with the Company's general payroll practices at the time of termination, and commencing on the first payroll date occurring after the effective date of the Release Agreement (if permitted by Code Section 409A), or otherwise commencing on the first payroll date occurring after the sixtieth (60<sup>th</sup>) day following your termination of employment. The first payment of Severance Pay shall include payment of all amounts that otherwise would have been due prior thereto under the terms of this letter had such payments commenced immediately upon your termination of employment, and any payments made thereafter shall continue as provided herein. The Release Agreement will not require you to release (A) the payments and benefits contemplated by this letter, (B) any rights to indemnification pursuant to any statute or governing documents of the Company, and (C) any claims which by law cannot be waived in a private agreement between an employer and employee.

11. You shall not make any statement that would libel, slander or disparage the Company, any member of the Company or its affiliates or any of their respective past or present officers, directors, managers, stockholders, employees or agents; provided that the foregoing will not prevent you from making truthful statements: (a) to your legal counsel, or (b) as required by lawfully compelled testimony, and provided that you notify the Company in advance of any such testimony and cooperate with the Company's reasonable efforts with respect to such testimony, unless doing so would violate any lawful order.

12. While we look forward to a long and profitable relationship, you will be an at-will employee of the Company as described in Section 9 of this letter and Section 3 of Exhibit A. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are, and should be regarded by you as, ineffective. Further, your participation in any benefit program or other Company program, if any, is not to be regarded as assuring you of continuing employment for any particular period of time.

13. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation establishing your identity and demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, you may contact our personnel office.

14. It should also be understood that all offers of employment are conditioned on the Company's completion of a satisfactory background check, including a drug screening process. The Company reserves the right to perform background checks during the term of your employment, subject to compliance with applicable laws. You will be required to execute forms authorizing such a background check.

15. This letter along with its Exhibits and the documents referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter of this letter, and supersede all prior understandings and agreements, including but not limited to severance, employment or similar agreements, whether oral or written, between or among you and the Company or its predecessor with respect to the specific subject matter hereof.

16. In the event of a conflict between the terms of this letter and the provisions of Exhibit A, the terms of this letter shall prevail.

17. Notwithstanding any other provision herein, the Company shall be entitled to withhold from any amounts otherwise payable hereunder any amounts required to be withheld in respect to federal, state or local taxes.

18. The intent of the parties is that payments and benefits under this letter be exempt from or comply with Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively "**Code Section 409A**") and, accordingly, to the maximum extent permitted, this letter shall be interpreted to be in compliance therewith. In addition, the following shall apply:

(a) In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on you by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this letter providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this letter, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

(c) Notwithstanding anything to the contrary in this Agreement, if you are deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (i) the expiration of the six (6)-month period measured from the date of such "separation from service", and (ii) the date of your death, to the extent required under Code Section 409A.

(d) For purposes of Code Section 409A, your right to receive any installment payments pursuant to this letter shall be treated as a right to receive a series of separate and distinct payments. To the extent that reimbursements or other in-kind benefits under this letter constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (i) all such expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by you, (ii) any right to such reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(e) Notwithstanding any other provision of this letter to the contrary, in no event shall any payment under this letter that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

19. The effective date of employment under the terms of this offer is January 7, 2019. If you decide to accept the terms of this letter, and I hope you will, please signify your acceptance of these conditions of employment by signing and dating the enclosed copy of this letter and its **Exhibit A** and returning them to me, not later than November 30, 2018.

Should you have anything that you wish to discuss, please do not hesitate to contact me.

By signing this letter and Exhibit A attached hereto, you represent and warrant that you have had the opportunity to seek the advice of independent counsel before signing and have either done so, or have freely chosen not to do so, and either way, you sign this letter voluntarily.

Very truly yours,

/s/ Michael Fosnaugh

Michael Fosnaugh

Authorized Signatory

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I have read and understood this letter and Exhibit A attached and hereby acknowledge, accept and agree to the terms set forth therein.

/s/ Lisa Utzschneider

Date signed: 12-3-18

Signature

Name: Lisa Utzschneider

**LIST OF EXHIBITS**

Exhibit A: Employment and Restrictive Covenants Agreement

Exhibit B: Mandatory Arbitration Agreement

Exhibit C: Certain Definitions

**EXHIBIT A**

**(To the Letter dated December 3, 2018)**

**Employment and Restrictive Covenants Agreement**

This Employment and Restrictive Covenants Agreement (the “**Agreement**”) is made effective January 7, 2019 (the “**Effective Date**”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as “**Company**”) and Lisa Utzschneider (hereafter referenced as “**Employee**” and together with the Company, each a “**Party**” and collectively, the “**Parties**”).

1. **PURPOSE.** In connection with Employee’s employment by the Company (the “**Employment**”), Employee and the Company wish to set forth the terms and conditions under which Employee will be employed by the Company, and certain restrictions applicable to Employee as a result of the Employment with the Company. This Agreement is intended: to allow the parties to engage in the Employment, with the Company giving Employee access to the Company’s Customers, employees, and Confidential Information (as those terms are defined below); to protect the Company’s business, information, and relationships against unauthorized competition, solicitation, recruitment, use, or disclosure; and to clarify Employee’s legal rights and obligations, to the extent not set forth in the letter to which this Agreement is attached (the “**Letter**”). Capitalized terms used but not defined in this Agreement shall have the meanings indicated in the Letter or any other exhibit to the Letter, as applicable.

2. **THE BUSINESS OF THE COMPANY.** The Company is engaged in the business of data collection and analytics, research and design, development, sales, licensing or marketing, relating to the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing (collectively the “**Business**” of the Company). Employee acknowledges that the Company has a legitimate interest in protecting its Confidential Information, trade secrets, customer relationships, customer goodwill, employee relationships, and the special investment and training given to Employee.

3. **“AT-WILL” EMPLOYMENT AND OTHER ACKNOWLEDGEMENTS.**

(a) Employee shall perform such duties or responsibilities as assigned to Employee from time to time. The Parties acknowledge that Employee’s Employment by the Company at all times is and shall remain “at will,” and may be terminated by either Party at any time, with or without notice and with or without Cause. Employee acknowledges that but for Employee’s execution of this Agreement, Employee would not be employed by the Company.

(b) Employee acknowledges that Employee’s duties shall entail Employee’s contact with the Company’s Customers to whom Employee is introduced, to which Employee is assigned, whose accounts Employee shall oversee, or for which Employee otherwise is directly or indirectly responsible.



(c) Employee further acknowledges that Employee will be given the use of the Company's Confidential Information. Employee acknowledges that the Company's goodwill with its Customers and Prospective Customers, as well as the Company's Confidential Information, are among the most valuable assets of the Company's Business. Accordingly, Employee hereby agrees, acknowledges, covenants, represents and warrants that at all times during Employee's Employment with the Company, Employee will faithfully perform Employee's duties with the utmost loyalty to the Company, and will owe a fiduciary duty and duty of loyalty to the Company. Employee agrees that during the Employment, Employee will do nothing disloyal or adverse to the Company or the Company's Business, or which creates any conflict of interest with the Company or the Business of the Company. Employee will abide by the policies of the Company at all times during Employee's Employment, and acknowledges that the Company may unilaterally change its policies, practices, and procedures at any time, at the sole discretion of the Company.

(d) Employee understands and acknowledges that all equipment, communication devices, physical property, documents, information, data bases, furniture, accessories, premises, and any other items provided to Employee while employed by Company, shall at all times remain the sole property of the Company, and as such, Employee shall have no reasonable expectation of privacy when using such items.

(e) Employee acknowledges that Employee will be afforded an investment of time, training, money, trust, exposure to the public, or exposure to Customers, vendors, suppliers, investors, joint venture partners, or other business relationships of the Company during the course of the Employment, and Employee's position gives Employee a high level of influence or credibility with the Company's Customers, vendors, suppliers, or other business relationships. Employee understands and acknowledges that Employee will possess specialized skills, learning, abilities, Customer contacts, or Customer information by reason of working for the Company.

(f) Employee acknowledges that, through Employee's Employment with the Company, Employee may customarily and regularly solicit Customers and/or Prospective Customers for the Company, and/or engage in making sales or obtaining orders or contracts for products or services.

(g) Employee understands that the Company has specifically instructed him/her to refrain from bringing to the Company any documents or materials or intangibles of a former employer or third party that are not in the public domain, or have not been legally transferred or licensed to the Company, or that might constitute the confidential information or trade secrets of a prior employer. Employee agrees that when performing duties on behalf of the Company, he/she will not breach any invention assignment, proprietary information, confidentiality, noncompetition, nonsolicitation or other similar agreement with any former employer or other party.

4. **DUTY OF LOYALTY.** Employee understands that his/her Employment and provision of services on behalf of the Company requires Employee's undivided attention and effort. Accordingly, during Employee's Employment, Employee agrees that he/she will not, without the Company's express prior written consent, (a) engage in any **other** business activity, unless such activity is for passive investment purposes not otherwise prohibited by this Agreement and will not require Employee to render any services, (b) be engaged or interested, directly or indirectly, alone or with others, in any trade, business or occupation in competition with the Company, (c) take steps, alone or with others, to engage in competition with the Company in the future, or (d) appropriate for Employee's own benefit business opportunities pertaining to the Company's Business. Employee may continue to serve as a member of the board of directors of the following companies, so long as such position does not interfere with Employee's fulfillment of duties and responsibilities to the Company, such position is not expanded without the prior written approval of the Board and such company does not engage in a Competitive Business: None. Subject to the foregoing, if Employee wishes to serve as a member of a board of a company not listed herein as of the Effective Date, s/he must first obtain the prior written approval of the Board in its sole discretion.

#### 5. **INVENTIONS.**

(a) **Prior Inventions.** Attached hereto as Schedule 1 is a complete and accurate list describing all Inventions (as defined below) which were conceived, discovered, created, invented, developed and/or reduced to practice by Employee prior to the commencement of his/her Employment that have not been legally assigned or licensed to the Company (collectively: "**Prior Inventions**"). If there are no such Prior Inventions, Employee shall initial Schedule 1 to indicate Employee has no Prior Inventions to disclose.

Employee acknowledges and agrees that if in the course of Employee's Employment, Employee incorporates or causes to be incorporated into a Company product, service, process, file, system, application or program a Prior Invention, Employee will grant the Company a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, offer to sell, sell or otherwise distribute such Prior Invention as part of or in connection with such product, process, file, system, application or program.

(b) **Disclosure and Assignment of Inventions.** Employee agrees to promptly disclose to the Company in writing all Inventions (as defined below) that Employee conceives, develops and/or first reduces to practice or creates, either alone or jointly with others, during the period of Employee's Employment with the Company, and for a period of three (3) months thereafter, whether or not in the course of Employee's Employment. Employee further assigns and agrees to assign all of Employee's rights, title and interest in the Inventions to the Company. Employee understands that this Section 5(b) does not apply to Inventions that the Employee developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets, except for those Inventions that either: (i) relate at the time of conception or use to the Company's business, or actual or demonstrably anticipated research or development; or (ii) result from any work the employee performs for the Company.

(c) In the event that the Company is unable for any reason to secure Employee's signature to any document required to file, prosecute, register or memorialize the ownership and/or assignment of any Invention, Employee hereby irrevocably designates and appoints the Company's duly authorized officers and agents as Employee's agents and attorneys-in-fact to act for and on Employee's behalf and stand to (i) execute, file, prosecute, register and/or memorialize the assignment and/or ownership of any Invention; (ii) to execute and file any documentation required for such enforcement and (iii) do all other lawfully permitted acts to further the filing, prosecution, registration, memorialization of assignment and/or ownership of, issuance of and enforcement of any Inventions, all with the same legal force and effect as if executed by Employee.

(d) **Use of Inventions.** Employee acknowledges that he/she is not entitled to use the Inventions for Employee's own benefit or the benefit of anyone except the Company without written permission from the Company, and then only subject to the terms of such permission. Employee further agrees that Employee will communicate to the Company, as directed by the Company, any facts known to Employee and testify in any legal proceedings, sign all lawful papers, make all rightful oaths, execute all divisionals, continuations, continuations-in-part, foreign counterparts, or reissue applications, all assignments, all registration applications and all other instruments or papers to carry into full force and effect, the assignment, transfer and conveyance hereby made or to be made and generally do everything possible for title to the Inventions to be clearly and exclusively held by the Company as directed by the Company.

(e) For purposes of this Agreement, "**Inventions**" means, without limitation, any and all formulas, algorithms, processes, techniques, concepts, designs, developments, technology, ideas, patentable and unpatentable inventions and discoveries, copyrights and works of authorship in any media now known or hereafter invented (including computer programs, source code, object code, hardware, firmware, software, mask work, applications, files, internet site content, databases and compilations, documentation and related items) patents, trade and service marks, logos, trade dress, corporate names and other source indicators and the good will of any business symbolized thereby, trade secrets, know-how, confidential and proprietary information, documents, analyses, research and lists (including current and potential customer and user lists) and all applications and registrations and recordings, improvements and licenses that (i) relate in any manner, whether at the time of conception, design or reduction to practice, to the Company's Business or its actual or demonstrably anticipated research or development; (ii) result from any work performed by Employee on behalf of the Company; or (iii) result from the use of the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets.

Employee recognizes that Inventions or proprietary information relating to Employee's activities while working for the Company, and conceived, reduced to practice, created, derived, developed, or made by Employee, alone or with others, within three (3) months after termination of Employee's Employment may have been conceived, reduced to practice, created, derived, developed, or made, as applicable, in significant part while Employee was employed by the Company. Accordingly, Employee agrees that such Inventions and proprietary information shall be presumed to have been conceived, reduced to practice, created, derived, developed, or made, as applicable, during Employee's Employment with the Company and are to be assigned to the Company pursuant to this Agreement and applicable law unless Employee has established the contrary by clear and convincing evidence.

(f) **Work for Hire.** Employee acknowledges and agrees that any copyrightable works prepared by Employee within the scope of Employee's Employment are "works made for hire" under the Copyright Act of 1976 and that the Company will be considered the author and owner of such copyrightable works. Any copyrightable works the Company specially commissions from Employee while Employee is employed also shall be deemed a work made for hire under the Copyright Act, and if for any reason such work cannot be so designated as a work made for hire, Employee agrees to and hereby assigns to the Company, as directed by the Company, all right, title and interest in and to said work(s). Employee further agrees to and hereby grants the Company, as directed by the Company, a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, publicly perform, display or otherwise distribute any copyrightable works Employee creates during Employee's Employment. Employee understands that this Section 5(f) does not apply to Inventions that the Employee developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets, except for those Inventions that either: (i) relate at the time of conception or use to the Company's business, or actual or demonstrably anticipated research or development; or (ii) result from any work the employee performs for the Company.

(g) **Assignment of Other Rights.** In addition to the foregoing assignment of Inventions to the Company, Employee hereby irrevocably transfers and assigns to the Company: (i) all worldwide patents, patent applications, copyrights, mask works, trade secrets and other intellectual property rights in any Inventions; and (ii) any and all "Moral Rights" (as defined below) that Employee may have in or with respect to any Inventions. Employee also hereby forever waives and agrees never to assert any and all Moral Rights Employee may have in or with respect to any Inventions, even after termination of Employee's Employment on behalf of the Company. "**Moral Rights**" means any rights to claim authorship of any Inventions, to object to or prevent the modification of any Inventions, or to withdraw from circulation or control the publication or distribution of any Inventions, and any similar right, existing under applicable judicial or statutory law of any country in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a "moral right."

(h) **Applicability to Past Activities.** To the extent Employee has been engaged to provide services by the Company or its predecessor for a period of time before the effective date of this Agreement (the "**Prior Engagement Period**"), Employee agrees that if and to the extent that, during the Prior Engagement Period: (i) Employee received access to any information from or on behalf of the Company that would have been proprietary information if Employee had received access to such information during the period of Employee's Employment with the Company under this Agreement; or (ii) Employee conceived, created, authored, invented, developed or reduced to practice any

item, including any intellectual property rights with respect thereto, that would have been an Invention if conceived, created, authored, invented, developed or reduced to practice during the period of Employee's Employment with the Company under this Agreement, then any such information shall be deemed proprietary information hereunder and any such item shall be deemed an Invention hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.

#### 6. NONDISCLOSURE AGREEMENT.

(a) Employee expressly agrees that, throughout the term of Employee's Employment with the Company and at all times following the termination of Employee's Employment from the Company, for so long as the information remains confidential, Employee will not use or disclose any Confidential Information disclosed to Employee by the Company, other than for the purpose to carry out the Employment for the benefit of the Company (but in all cases preserving confidentiality by following the Company's policies and obtaining appropriate non-disclosure agreements). Employee shall not, directly or indirectly, use or disclose any Confidential Information to third parties, nor permit the use by or disclosure of Confidential Information by third parties. Employee agrees to take all reasonable measures to protect the secrecy of and avoid disclosure or use of Confidential Information in order to prevent it from falling into the public domain or into the possession of any Competing Business or any persons other than those persons authorized under this Agreement to have such information for the benefit of the Company. Employee agrees to notify the Company in writing of any actual or suspected misuse, misappropriation, or unauthorized disclosure of Confidential Information that may come to Employee's attention. Employee acknowledges that if Employee discloses or uses knowledge of the Company's Confidential Information to gain an advantage for Employee, for any Competing Business, or for any other person or entity other than the Company, such an advantage so obtained would be unfair and detrimental to the Company.

(b) Employee expressly agrees that Employee's duty of non-use and non-disclosure shall continue indefinitely for any information of the Company that constitutes a Trade Secret under applicable law, so long as such information remains a Trade Secret.

**(c) Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.**

**(d) Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the Parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.**

**7. RETURN OF COMPANY PROPERTY AND MATERIALS.** Any Confidential Information, trade secrets, materials, equipment, information, documents, electronic data, or other items that have been furnished by the Company to Employee in connection with the Employment are the exclusive property of the Company and shall be promptly returned to the Company by Employee, accompanied by all copies of such documentation, immediately when the Employment has been terminated or concluded, or otherwise upon the written request of the Company. Employee shall not retain any copies of any Company information or other property after the Employment ends, and shall cooperate with the Company to ensure that all copies, both written and electronic, are immediately returned to the Company or permanently deleted, if in electronic form. Employee shall cooperate with Company representatives and allow such representatives to oversee the process of erasing and/or permanently removing any such Confidential Information or other property of the Company from any computer, personal digital assistant, phone, or other electronic device, or any cloud-based storage account or other electronic medium owned or controlled by Employee.

**8. LIMITED NONCOMPETE AGREEMENT.** Employee expressly agrees that Employee will not (either directly or indirectly, by assisting or acting in concert with others) Compete with the Company during the Restricted Period within the Restricted Territory. Notwithstanding the foregoing, nothing herein shall prohibit Employee from:

(a) being a passive owner:

(i) of not more than one percent (1%) of the outstanding stock of any class of securities of a publicly-traded corporation engaged in Competitive Services,

(ii) of not more than five percent (5%) of the outstanding limited partnership interests or similar securities of any unaffiliated, third-party professional investment fund or investment vehicle, which shall not be deemed to be engaging in a Competitive Business solely by reason the business of any of its portfolio companies, so long as, in each instance, Employee has no other participation whatsoever in such investment fund or investment vehicle or their respective portfolio companies; or

(b) accepting employment or other engagement with any person or entity that has several divisions, only certain of which provide Competitive Services, if Employee's employment or engagement is with a division that does not provide Competitive Services, and Employee (i) informs such employing or engaging person or entity of the restrictions and obligations set forth herein, (ii) does not perform any services relating to the Competitive Services during the Restricted Period, and (iii) otherwise complies with the terms of this Agreement.

**9. NONSOLICITATION OF CUSTOMERS / PROSPECTIVE CUSTOMERS.** Employee expressly agrees that during the Restricted Period, Employee will not (either directly or indirectly, by assisting or acting in concert with others), on behalf of himself/herself or any other person, business, entity, including but not limited to on behalf of a Competing Business, call upon, solicit, or attempt to call upon or solicit any business from any Customer or Prospective Customer for the purpose of providing services substantially similar to the Services.

**10. NONRECRUITMENT OF EMPLOYEES.** Employee expressly agrees that during the Restricted Period, Employee will not, on behalf of himself/herself or any other person, business, or entity (either directly or indirectly, by assisting or acting in concert with others), solicit, recruit or hire, or attempt to solicit, recruit or hire, any of the Company's employees, or encourage any of the Company's employees to leave employment with the Company to work for a Competing Business. For purposes of this Section 10, "Company employee" means any then current employee of the Company or any individual who was an employee of the Company in the twelve (12) month period preceding the solicitation, recruitment or hiring (or attempt thereof) by Employee.

**11. REASONABLENESS OF RESTRICTIONS.** Employee agrees that the obligations set forth in this Agreement are necessary and reasonable in order to protect the Company's legitimate business interests and (without limiting the foregoing) that the obligations set forth in Sections 8, 9 and 10 are necessary and reasonable in order to protect the Company's legitimate business interests in protecting its Confidential Information, Trade Secrets, customer and employee relationships and the goodwill associated therewith.

**12. REMEDIES; INJUNCTIVE RELIEF; TOLLING.**

(a) Employee expressly agrees that due to the unique nature of the Company's Confidential Information, and its relationships with its Customers and other employees, monetary damages would be inadequate to compensate the Company for any breach by Employee of the covenants and agreements set forth in this Agreement. Accordingly, Employee agrees and acknowledges that any such violation or threatened violation shall cause irreparable injury to the Company and that, in addition to any other remedies that may be available in law, in equity, or otherwise, the Company shall be entitled: (i) to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach by Employee, without the necessity of proving actual damages; and (ii) to be indemnified by Employee from any loss or harm; and (iii) to recover any reasonable costs or attorneys' fees, arising out of or in connection with any breach by Employee or enforcement action relating to Employee's obligations under this Agreement; provided that in any such action in which the Company does not prevail, Employee shall be entitled to recover his/her reasonable costs or attorneys' fees, arising out of or in connection therewith.

(b) Notwithstanding the arbitration provisions contained herein or in the Letter, or anything else to the contrary in this Agreement, Employee understands that the violation of any restrictive covenants of this Agreement may result in irreparable and continuing damage to the Company for which monetary damages will not be sufficient, and agrees that Company will be entitled to seek, in addition to its other rights and remedies hereunder or at law, and both before or while an arbitration is pending between the parties under this Agreement, a temporary restraining order, preliminary injunction or similar injunctive relief from a court of competent jurisdiction in order to preserve the status quo or prevent irreparable injury pending the full and final resolution of the dispute through arbitration, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned injunctive relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief through arbitration proceedings. This Section shall not be construed to limit the obligation for either party to pursue arbitration.

(c) The Restricted Period as defined in this Agreement shall be extended by the length of any actual breach or violation of the restrictive covenants of this Agreement.

13. **DEFINITIONS.** For all purposes throughout this Agreement, the terms defined below shall have the respective meanings specified in this Section.

(a) **“Customer”** of the Company shall mean any business or entity with which Employee had Material Contact, for the purpose of providing Services, during the twelve (12) months preceding Employee’s termination date.

(b) **“Compete”** shall mean to provide Competitive Services, whether Employee is acting on behalf of himself/herself, or in conjunction with or in concert with any other entity, person, or business, including activities performed while working for or on behalf of a Customer.

(c) **“Competitive Services”** shall mean the business of data collection and analytics, research and design, development, sales, licensing or marketing, relating to the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing, conducted, authorized, or offered by the Company or any predecessor within the two (2) years prior to the termination of Employee’s Employment.

(d) **“Competing Business”** shall mean any entity, including but not limited to any person, company, partnership, corporation, limited liability company, association, organization or other entity, that provides Competitive Services.

(e) **“Confidential Information”** shall mean sensitive business information having actual or potential value to the Company because it is not generally known to the general public or ascertainable by a Competing Business, and which has been disclosed to Employee, or of which Employee will become aware, as a consequence of the Employment with the Company, including any information related to: the Company’s investment strategies, management planning information, business plans, operational methods, market studies, marketing plans or strategies, patent information, business



acquisition plans, past, current and planned research and development, formulas, methods, patterns, processes, procedures, instructions, designs, inventions, operations, engineering, services, drawings, equipment, devices, technology, software systems, price lists, sales reports and records, sales books and manuals, code books, financial information and projections, personnel data, names of customers, customer lists and contact information, customer pricing and purchasing information, lists of targeted prospective customers, supplier lists, product/service and marketing data and programs, product/service plans, product development, advertising campaigns, new product designs or roll out, agreements with third parties, or any such similar information.

Confidential Information shall also include any information disclosed to the Company by a third party (including, but not limited to, current or prospective Customers) that the Company is obliged to treat as confidential.

Confidential Information may be in written or non-written form, as well as information held on electronic media or networks, magnetic storage, cloud storage service, or other similar media. The Company has invested and will continue to invest extensive time, resources, talent, and effort to develop its Confidential Information, all of which generates goodwill for the Company. Employee acknowledges that the Company has taken reasonable and adequate steps to control access to the Confidential Information and to prevent unauthorized disclosure, which could cause injury to the Company. This definition shall not limit any broader definition of "confidential information" or any equivalent term under applicable state or federal law.

(f) **"Material Contact"** shall mean actual contact between Employee and a Customer with whom Employee dealt on behalf of the Company; or whose dealings with the Company were coordinated or supervised by Employee; or who received goods or services from the Company that resulted in payment of commissions or other compensation to Employee; or about whom Employee obtained Confidential Information because of Employee's Employment with the Company.

(g) **"Prospective Customer"** shall mean any business or entity with whom Employee had Material Contact, for the purpose of attempting to sell or provide Services, and to whom Employee provided a bid, quote for Services, or other Confidential Information of the Company, during the twelve (12) months preceding Employee's termination date.

(h) **"Restricted Period"** shall mean the entire term of Employee's Employment with the Company and a one (1) year period immediately following the termination of Employee's Employment, unless otherwise delineated or described in the "end notes and exceptions" at the end of this Agreement.

(i) **"Restricted Territory"** shall mean the geographic area in which or with respect to which Employee provided or attempted to provide any Services or performed operations on behalf of the Company as of the date of termination or during the twelve (12) months preceding Employee's termination date.

(j) **“Trade Secrets”** shall mean the business information of the Company that is competitively sensitive and which qualifies for trade secrets protection under applicable trade secrets laws, including but not limited to the Defend Trade Secrets Act. This definition shall not limit any broader definition of “trade secret” or any equivalent term under any applicable local, state or federal law.

(k) **“Services”** shall mean the types of work product, processes and work-related activities relating to the Business of the Company performed by Employee during the Employment.

14. **RESERVED.**

15. **NOTICE OF VOLUNTARY TERMINATION OF EMPLOYMENT.** Unless otherwise stated in the Letter, Employee agrees to use reasonable efforts to provide the Company fourteen (14) days written notice of Employee’s intent to terminate Employee’s Employment; provided, however, that this provision shall not change the at-will nature of the employment relationship between Employee and the Company. It shall be within the Company’s sole discretion to determine whether Employee should continue to perform services on behalf of the Company during this notice period.

16. **NON-DISPARAGEMENT.** During and after Employee’s Employment with the Company, except for truthful statements compelled or required by law, Employee agrees he/she shall not disparage the Company, its Customers and suppliers or their respective officers, directors, agents, employees, attorneys, shareholders, successors or assigns or their respective products or services, in any manner (including but not limited to, verbally or via hard copy, websites, blogs, social media forums or any other medium); provided, however, that nothing in this Section 16 shall prevent Employee from: engaging in concerted activity relative to the terms and conditions of Employee’s Employment and in communications protected under the National Labor Relations Act, filing a charge or providing information to any governmental agency, or from providing information in response to a subpoena or other enforceable legal process or as otherwise required by law.

17. **NOTIFICATION OF NEW EMPLOYER.** Before Employee accepts employment or enters into any consulting, independent contractor, or other professional or business engagement with any other person or entity while any of the provisions of Sections 8, 9 or 10 of this Agreement are in effect, Employee will provide such person or entity with written notice of the provisions of Sections 8, 9 and/or 10 and will deliver a copy of that notice to the Company. While any of Sections 8, 9 and/or 10 of this Agreement are in effect, Employee agrees that, upon the request of the Company, Employee will furnish the Company with the name and address of any new employer or entity for whom Employee will provide contractor or consulting services, as well as the capacity in which Employee will be employed or otherwise engaged. Employee hereby consents to the Company’s notifying Employee’s new employer about Employee’s responsibilities, restrictions and obligations under this Agreement.

18. **WITHHOLDING.** To the extent allowed by applicable law, Employee agrees to allow the Company to deduct from the final paycheck(s) any amounts due as a result of the Employment, including, but not limited to, any expense advances or business charges incurred on behalf of the Company, charges for property damaged or not returned when requested, and any other charges incurred that are payable to the Company. Employee agrees to execute any authorization form as may be provided by Company to effectuate this provision.

19. **NO INTELLECTUAL PROPERTY RIGHTS GRANTED.** Nothing in this Agreement shall be construed as granting to Employee any rights under any patent, copyright, or other intellectual property right of the Company, nor shall this Agreement grant Employee any rights in or to Confidential Information of the Company other than the limited right to review and use such Confidential Information solely for the purpose of participating in the Employment for the benefit of the Company.

20. **SUCCESSORS AND ASSIGNS.** This Agreement will be binding upon Employee's heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, its assigns and licensees. This Agreement, and Employee's rights and obligations hereunder, may not be assigned by Employee; however, the Company may assign its rights hereunder without Employee's consent, in connection with any sale, transfer or other disposition of any or all of its business or assets, provided that in such event the scope of the assigned rights will be defined by reference to the business or asset conveyed, and not the business of the acquiring entity.

21. **SEVERABILITY AND REFORMATION.** Employee and the Company agree that if any particular sections, paragraphs, subparagraphs, phrases, words, or other portions of this Agreement are determined by an appropriate court, arbitrator, or other tribunal to be invalid or unenforceable as written, they shall be modified as necessary to comport with the reasonable intent and expectations of the Parties and in favor of providing maximum reasonable protection to the Company's legitimate business interests. Such modification shall not affect the remaining provisions of this Agreement. If such provisions cannot be modified to be made valid or enforceable, then they shall be severed from this Agreement, and all remaining terms and provisions shall remain enforceable. Sections 8, 9 and 10 and each restrictive covenant within them are intended to be divisible and to be interpreted and applied separately and independently.

22. **ENTIRE AGREEMENT; AMENDMENT.** This Agreement, together with each agreement specifically referred to herein as having a continuing effect (including the Letter and any other exhibit to the Letter) contains the entire agreement between the Parties relating to the subject matters contained herein. No term of this Agreement may be amended or modified unless made in writing and executed by both Employee and an authorized agent of the Company. This Agreement replaces and supersedes all prior representations, understandings, or agreements, written or oral, between Employee and the Company with regard to restrictive covenants, post-employment restrictions, and mandatory arbitration.

23. **WAIVER.** Failure to fully enforce any provision of this Agreement by either Party shall not constitute a waiver of any term hereof by such Party; no waiver shall be recognized unless expressly made in writing, and executed by the Party that allegedly made such waiver.

24. **CONSTRUCTION.** The Parties agree that this Agreement has been reviewed by each Party, each Party had an opportunity to make suggestions about the provisions of the Agreement, and each Party had sufficient opportunity to obtain the advice of legal counsel on matters of contract interpretation, if desired. The Parties agree that this Agreement shall not be construed or interpreted more harshly against one Party merely because one Party was the original drafter of the Agreement.

25. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same legally recognized instrument.

26. **THIRD-PARTY BENEFICIARIES.** Employee specifically acknowledges and agrees that the direct and indirect subsidiaries, parents, owners, and affiliated companies of the Company are intended to be beneficiaries of this Agreement and shall have every right to enforce the terms and provisions of this Agreement in accordance with the provisions of this Agreement.

27. **NOTICES.** Notices regarding this Agreement shall be sent via email or to the mailing addresses of the Parties as set forth in the signature block to this Agreement.

28. **GOVERNING LAW AND FORUM SELECTION.** This Agreement shall be governed by and construed in accordance with the Federal Arbitration Act. Any non-arbitration-related issues shall be resolved under the substantive laws and in the jurisdiction of the state where Employee most recently worked for the Company.

29. **ENDNOTES AND EXCEPTIONS.** Certain of the foregoing provisions of this Agreement are hereby modified in certain states as described in the following Sections and Subsections:

(a) **Section 6:** the “**Nondisclosure Agreement**” shall apply not for the entire time period following Employee’s Employment, but rather shall apply only during the Restricted Period in the following states: Arizona, Florida, Illinois, Indiana, New Jersey, Virginia and Wisconsin. Additionally, to the extent Section 6.a applies in Wisconsin to Confidential Information that does not constitute a trade secret under applicable law, it shall apply only in geographic areas where the unauthorized disclosure or use of Confidential Information would be competitively damaging to the Company.

(b) **Section 9:** the “**Nonsolicitation of Customers/Prospective Customers**” provision shall apply not to any Prospective Customer, but rather shall apply only to any Customer, in the following states: Wisconsin. Additionally, in Wisconsin, Section 9 shall not apply to “attempts.”

(c) **Section 10:** “**Nonrecruitment of Employees**” shall not apply in Wisconsin. The Restricted Period for the nonrecruitment of Company employees in Section 10 shall be eighteen (18) months in the following states: Alabama.

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(d) **Section 12:** The final sentence of Section 12 shall not apply in the following states: Arkansas, Louisiana, and Wisconsin.

(e) **Section 13(e): “Confidential Information”** The definition of Confidential Information shall include only information that has actual value to the Company in the following state: Wisconsin.

[Remainder of page intentionally left blank.  
Signatures on following page.]

Page A-14 of 15

**For Employee:**

Signature:

/s/ Lisa Utschneider

Printed Name:

Lisa Utschneider

Address:

\*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 12-3-18

**For Company:**

Signature:

/s/ Michael Fosnaugh

Printed Name:

Michael Fosnaugh

Address:

c/o Vista Equity Partners

4 Embarcadero Center, 20th Floor

San Francisco, CA 94111

Title: President

Date: December 3, 2018

**Schedule 1**

**(List of Employee's Prior Inventions)**

LW By initialing here, I represent and warrant that I have no Prior Inventions, that term is defined in the Agreement to which this Schedule 1 is attached.

OR

Below is a complete and accurate list of Prior Inventions, as that term is defined in the Agreement to which this Schedule 1 is attached.

**For Employee:**

Signature: /s/ Lisa Utzschneider

Printed Name: Lisa Utzschneider

Address: \*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 12-3-18

**EXHIBIT B**

(To the Letter dated December 3, 2018)

**MANDATORY ARBITRATION AGREEMENT**

This Mandatory Arbitration Agreement (the “**Arbitration Agreement**”) is made effective January 7, 2019 (the “**Effective Date**”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as “**Company**”) and Lisa Utzschneider (hereafter referenced as “**Employee**” and together with the Company, each a “**Party**” and collectively, the “**Parties**”).

A Party may bring an action in court to obtain a temporary restraining order, injunction, or other equitable relief available in response to any violation or threatened violation of the restrictive covenants set forth in this Agreement. Otherwise, Employee expressly agrees and acknowledges that the Company and Employee will utilize binding arbitration to resolve all disputes that may arise out of the Employment, which shall include the following:

1. Both the Company and Employee hereby agree that any claim, dispute, and/or controversy between Employee and the Company (or its owners, directors, officers, managers, employees, agents, insurers and parties affiliated with its employee benefit and health plans), arising from, related to, or having any relationship or connection whatsoever to the Employment, shall be submitted to and determined exclusively by binding arbitration before the American Arbitration Association (“**AAA**”) under the Federal Arbitration Act (9 U.S.C. §§ 1, *et seq.*), in conformity with the Federal Rules of Civil Procedure and pursuant to the AAA’s Employment Rules. Included within the scope of this Agreement are all disputes including, but not limited to, any claims alleging employment discrimination, harassment, hostile environment, retaliation, whistleblower protection, wrongful discharge, constructive discharge, failure to grant leave, failure to reinstate, failure to accommodate, tortious conduct, breach of contract, and/or any other claims Employee may have against the Company for any exemption misclassification, unpaid wages or overtime pay, benefits, payments, bonuses, commissions, vacation pay, leave pay, workforce reduction payments, costs or expenses, emotional distress, pain and suffering, or other alleged damages arising out of the Employment or termination. Also included are any claims based on or arising under Title VII of the Civil Rights Act of 1964, 42 USC Section 1981, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Fair Labor Standards Act, Sarbanes-Oxley, all as amended, or any other state or federal law or regulation, equitable law, or otherwise relating in any way to the employment relationship.

2. The arbitration proceeding shall be conducted in the State of New York, New York County,

3. Nothing herein, however, shall prevent Employee from filing and pursuing proceedings before the United States Equal Employment Opportunity Commission or similar state agency (although if Employee chooses to pursue any type of claim for relief following the exhaustion of such administrative remedies, such claim would be subject to resolution under these mandatory arbitration provisions). In addition, nothing herein shall prevent Employee from filing an administrative claim for unemployment benefits or workers’ compensation benefits.



4. Nothing in the confidentiality or nondisclosure or other provisions of this Agreement shall be construed to limit Employee's right to respond accurately and fully to any question, inquiry or request for information when required by legal process or from initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority, regarding the Company, Employee's Employment, or this Agreement. Employee is not required to contact the Company regarding the subject matter of any such communications before engaging in such communications. Employee also understands that Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Employee also understands that disclosure of trade secrets to attorneys, in legal proceedings if disclosed under seal, or pursuant to court order is also protected under 18 U.S. Code §1833 when disclosure is made in connection with a retaliation lawsuit based on the reporting of a suspected violation of law.

5. In addition to any other requirements imposed by law, the arbitrator selected shall be a qualified individual mutually selected by the Parties, and shall be subject to disqualification on the same grounds as would apply to a judge. All rules of pleading, all rules of evidence, all statutes of limitations, all rights to resolution of the dispute by means of motions for summary judgment, and judgment on the pleadings shall apply and be observed. Resolution of the dispute shall be based solely upon the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis (including but not limited to, notions of "just cause") other than such controlling law. Likewise, all communications during or in connection with the arbitration proceedings are privileged. The arbitrator shall have the authority to award appropriate substantive relief under relevant laws, including the damages, costs and attorneys' fees that would be available under such laws.

6. Employee's initial share of the arbitration fee shall be in an amount equal to the filing fee as would be applicable in a court proceeding, or \$100, whichever is less. Beyond the arbitration filing fee, the non-prevailing party as determined by the arbitrator will bear all other reasonable fees, expenses and charges of the arbitrator.

7. Employee understands and agrees that all claims against the Company must be brought in Employee's individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. Employee understands that there is no right or authority for any dispute to be heard or arbitrated on a collective action basis, class action basis, as a private attorney general, or on bases involving claims or disputes brought in a representative capacity on behalf of the general public, on behalf of other Company employees (or any of them) or on behalf of other persons alleged to be similarly situated.

Employee understands that there are no bench or jury trials and no class actions or representative actions permitted under this Agreement. The arbitrator shall not consolidate claims of different employees into one proceeding, nor shall the arbitrator have the power to hear an arbitration as a class action, collective action, or representative action. The interpretation of this subsection shall be decided by a judge, not the arbitrator.

8. Employee and Company agree to the following procedures:

(a) Prior to the service of an Arbitration Demand, the parties shall negotiate in good faith for a period of thirty (30) days in an effort to resolve any arbitrable dispute privately, amicably and confidentially. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by either Party or their representatives will be confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in negotiations pursuant to this Section 8.

(b) If negotiations fail, to commence an arbitration pursuant to this Agreement, a Party shall serve a written arbitration demand (the "**Demand**") on the other Party by hand delivery or via overnight delivery service (in a manner that provides proof of receipt by the respondent). The Demand shall be served before expiration of the applicable statute of limitations. The Demand shall describe the arbitrable dispute in sufficient detail to advise the respondent of the nature and basis of the dispute, state the date on which the dispute first arose, list the names and addresses of every person whom the claimant believes does or may have information relating to the dispute, including a short description of the matter(s) about which each person is believed to have knowledge, and state with particularity the relief requested by the claimant, including a specific monetary amount, if the claimant seeks a monetary award of any kind.

(c) If respondent does not provide a written Response to the Demand, all allegations will be considered denied.

(d) The Parties shall confer in good faith to attempt to agree upon a suitable arbitrator, and if unable to do so, they will select an arbitrator from the AAA's employment arbitration panel for the area.

(e) Any award or portion thereof, whether preliminary or final, will be based on and accompanied by a written opinion signed by the arbitrator and will contain findings of fact, conclusions of law and the reasons upon which the award or portion thereof is based.

9. Employee understands, agrees, and consents to this binding arbitration provision, and Employee and the Company hereby each expressly waive the right to trial by jury of any claims arising out of Employment with the Company.

10. *By initialing below, Employee acknowledges that Employee has read, understands, agrees and consents to this binding Arbitration Agreement, including the class action waiver. Employee's Initials: LU*

The Parties have executed this Arbitration Agreement, which is effective as of the Effective Date written above.

**For Employee:**

Signature:

/s/ Lisa Utzschneider

Printed Name:

Lisa Utzschneider

Address:

\*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 12-3-18

**For Company:**

Signature:

/s/ Michael Fosnaugh

Printed Name:

Michael Fosnaugh

Address:

c/o Vista Equity Partners

4 Embarcadero Center, 20th Floor

San Francisco, CA 94111

Title: President

Date: December 3, 2018

**EXHIBIT C**

(To the Letter December 3, 2018)

**Certain Definitions**

**“Cause”** means any of the following:

- (i) a material failure by you to perform your responsibilities or duties to the Company under this letter or those other responsibilities or duties as reasonably requested from time to time by the Board, after written demand for performance has been given by the Board that identifies how you have not performed your responsibilities or duties and such failure, if susceptible of cure, has not been cured for a period of thirty (30) days after you receive notice from the Board;
- (ii) your engagement in illegal conduct or gross misconduct that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iii) your commission or conviction of, or plea of guilty or *nolo contendere* to, a felony, a crime involving moral turpitude or any other act or omission that has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iv) a material breach of your duty of loyalty to the Company or your material breach of the Company’s written code of conduct and business ethics or Sections 4 through 10 and 16 of the Employment and Restrictive Covenants Agreement, or any other material written agreement between you and the Company;
- (v) fraud or gross negligence committed without regard to written corrective direction in the course of discharge of your duties as an employee; or
- (vi) excessive and unreasonable absences from your duties for any reason (other than an authorized leave or as a result of your Disability (as defined below)).

**“Disability”** means your inability to perform the essential functions of your job, with or without accommodation, as a result of any mental or physical disability or incapacity for an extended period of not less than one hundred eighty (180) calendar days, as determined in the sole discretion of the Company.

**“Good Reason”** means that you voluntarily terminate your employment with the Company if there should occur without your written consent:

- (i) a material, adverse change in your duties or responsibilities with the Company;
- (ii) (A) any reduction in your then current Base Salary that is not implemented in conjunction with a general decrease affecting the executive management team or (B) a reduction in your then current Base Salary by more than ten percent (10%) in conjunction with a general decrease affecting the entire executive management team;

- (iii) the material breach by the Company of this letter or any other employment agreement between you and the Company; or
- (iv) a relocation of your primary place of work by more than twenty five (25) miles;

provided, however, that in each case above, you must (a) first provide written notice to the Company of the existence of the Good Reason condition within thirty (30) days of the initial existence of such event, specifying the basis for your belief that you are entitled to terminate your employment for Good Reason, (b) give the Company an opportunity to cure any of the foregoing within thirty (30) days following your delivery to the Company of such written notice, and (c) actually resign your employment within thirty (30) days following the expiration of the Company's thirty (30) day cure period.

All references to the Company in these definitions shall include parent, subsidiary, affiliate and successor entities of the Company.

October 30, 2019

Joseph Pergola

c/o Integral Ad Science, Inc.  
95 Morton St, FL 8  
New York, NY 10014

Re: Employment with Integral Ad Science, Inc.

Dear Joseph:

This letter sets forth the terms of your employment by Integral Ad Science, Inc. (the "**Company**"). We value the role that you can serve with the Company.

1. You will be the Chief of Staff of the Company, reporting to the Company's Chief Executive Officer and the Board of Managers of the Company (the "**Board**"). In this capacity, you will have the responsibilities and duties consistent with such position.

2. Your starting base salary will be \$240,000 per year, less deductions and withholdings required by law or authorized by you, and will be subject to review annually (the "**Base Salary**"). Your Base Salary will be paid by the Company in regular installments in accordance with the Company's general payroll practices as in effect from time to time.

With respect to your bonus opportunities for each bonus period beginning on and after January 1, 2019, you will be eligible to receive a bonus of up to 25% of your Base Salary (the "**Bonus**"). The Bonus will be awarded at the sole discretion of the Board, based on the Board's determination as to your achievement of predetermined thresholds which may include, but are not limited to, management by objectives ("**MBO**")s and financial targets such as revenue, recurring revenue, gross profit and/or EBITDA targets. In addition, you will be eligible each calendar year for an additional bonus of up to 10% of your Base Salary, awarded at the sole discretion of the Board, based on the Board's determination as to your achievement of "stretch" targets.

The bonus formulas, MBOs, performance milestones and all other elements of your bonus opportunities shall be established by the Board in its sole discretion, and communicated in writing (including by e-mail) to you from time to time. Any bonus earned for a fiscal year shall be paid within thirty (30) days after the Board has received, reviewed and approved the applicable fiscal year's final audited financial statements, subject, in each case, to your continued employment on the applicable payment date.

3. You also will be eligible to participate in regular health, dental and vision insurance plans and other employee benefit plans established by the Company applicable to executive-level employees from time to time, so long as they remain generally available to the Company's executive-level employees.

4. Your position currently is based in New York, NY. Your duties may involve extensive domestic and international travel.

5. You shall be considered to receive equity and other long-term incentive awards under any applicable plan adopted by the Company for which employees are generally eligible. The level of your participation in any such plan, if any, shall be determined in the sole discretion of the Board from time to time.

You will be eligible to receive a certain number of incentive equity units (“**Incentive Equity**”) of Kavacha Topco, LLC, an indirect parent of the Company (as such Company’s name may change from time to time and such company’s successors and assigns, “**Parent**”), which Incentive Equity shall be issued under Parent’s Amended and Restated Limited Liability Company Agreement, dated July 19, 2018 (as amended, restated or otherwise modified from time to time, the “**LLC Agreement**”) and which shall represent approximately .075% of the fully-diluted equity interests of Parent at the time of issuance. The Incentive Equity shall be comprised of awards intended to be treated as “profits interests” for federal income tax purposes pursuant to Revenue Procedures 93-27 and 2001-43.

The Incentive Equity that you are eligible to receive will be subject to the terms (including the vesting terms and the participation thresholds, as the case may be) as set forth in the LLC Agreement and the grant agreement to which you will be a party (the “**Grant Agreement**”). The grant of Incentive Equity is subject to Parent’s board of managers’ approval and the execution of any applicable Grant Agreements. Our intent to recommend such approval is not a promise of compensation and is not intended to create any obligation on the part of the Company or Parent. Further details on the Incentive Equity and any specific grant of Incentive Equity to you will be provided upon approval of such grant by the board of managers of Parent.

Your Incentive Equity, if granted, will vest as follows, each as more fully set forth in the Grant Agreements (it being understood that such vesting shall be subject to your continued employment by the Company through the applicable vesting event):

- 66.67% of the Incentive Equity would be subject to time-based vesting over four (4) years, with 25% vesting upon the date that is twelve (12) months after the Closing Date and an additional 6.25% of such Incentive Equity vesting at the end of each full three (3) calendar month period thereafter (the vesting of any such unvested time-based Incentive Equity would be accelerated upon a change of control of Parent); and
- 33.33% of the Incentive Equity would vest if any equity buy-out investment fund managed or controlled by Vista Equity Partners, and any of such funds’ respective portfolio companies (collectively, “**Vista**”) received cumulative cash distributions or other cash proceeds in respect of the securities of Parent or its subsidiaries held by Vista or any loans provided to Parent or its subsidiaries by Vista (“**Vista’s Return**”) such that Vista’s Return equals or exceeds three hundred percent (300%) of Vista’s total investment in Parent and its subsidiaries (whether in exchange for equity, indebtedness or otherwise) (calculated pursuant to the formula set forth in the Grant Agreement).

Notwithstanding anything to the contrary contained herein, the terms and conditions applicable to the Incentive Equity described in this section will be fully described in the legal documents granting and governing such Incentive Equity (including, without limitation, terms and conditions relating to vesting and forfeiture), and in the event of any conflict between the terms of this section and the terms of such legal documents, the terms of such legal documents shall control.

6. You must complete the following as a condition of your employment:

- In consideration of and as a condition of employment, you must carefully consider and sign the Company's standard "Employment and Restrictive Covenants Agreement" (attached to this letter as **Exhibit A**). Because the Company and its affiliates are engaged in a continuous program of research, development, production and marketing in connection with their business, we wish to reiterate that it is critical for the Company and its affiliates to preserve and protect its proprietary information and its rights in inventions.
- So that the Company has proper records of inventions that may belong to you, we ask that you also complete Schedule 1 attached to **Exhibit A**.
- You and the Company mutually agree that any disputes that may arise regarding your employment will be submitted to binding arbitration by the American Arbitration Association. As a condition of your employment, you will need to carefully consider and voluntarily agree to the arbitration clause set forth in **Section 14** of **Exhibit A**.

7. We also wish to remind you that, as a condition of your employment, you are expected to abide by the Parent's, the Company's, and their direct and indirect subsidiaries' policies and procedures, which policies and procedures may be amended from time to time, at the Company's sole discretion and employees will be notified of any amendments to such policies and procedures.

8. Your employment with the Company is at will. The Company may terminate your employment at any time with or without notice, and for any reason or no reason, with or without cause. Notwithstanding any provision to the contrary contained in **Exhibit A**, you may terminate your employment with the Company at any time and for any reason or no reason by giving notice in writing to the Company of not less than four (4) weeks ("**Notice Period**"), unless otherwise agreed to in writing by you and the Company. In the event of such notice, the Company reserves the right, in its discretion, to give immediate effect to your resignation in lieu of requiring or allowing you to continue work throughout the Notice Period; provided that the Company pays your Base Salary which would otherwise be payable with respect to the Notice Period. The Company may, during the Notice Period, relieve you of all of your duties and prohibit you from entering the Company's offices. Notwithstanding the foregoing, you shall continue to be an employee of the Company during the Notice Period, and thus owe to the Company the same duty of loyalty you owed it prior to giving notice of your termination.

9. If the Company terminates your employment without "Cause" (excluding terminations for death or Disability) or you voluntarily terminate your employment for a "Good Reason", you will be entitled to receive a severance payment in the form of continued Base Salary pay for one month for each year of continuous service with the Company, not to exceed six months of your then applicable Base Salary, payable in equal installments over the zero to six month period following your termination and, at the sole discretion of the Board, a pro-rated portion of any bonus that may have been earned by you during the fiscal year in which such termination occurs, based on actual performance and paid when bonuses are otherwise paid for such fiscal year (but in any event, no later than March 15<sup>th</sup> of the year following the year in respect of which such bonus is earned), in each case, less deductions and withholdings required by law or authorized by you (the "**Severance Pay**"). For purposes of this section, "**Cause**," "**Disability**" and "**Good Reason**" have the meanings set forth in **Exhibit B** attached hereto. The Company will not be required to pay the Severance Pay



unless (a) you execute and deliver to the Company an agreement (“**Release Agreement**”) in a form satisfactory to the Company releasing from all liability (other than the payments and benefits contemplated by this letter) the Company, each member of the Company, and any of their respective past or present officers, directors, managers, employees investors, agents or affiliates, including Vista, and you do not revoke such Release Agreement during any applicable revocation period, (b) such Release Agreement is executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the date of your termination of employment, and (c) you have not breached the provisions of Sections 4 through 10 and 16 of Exhibit A, the terms of this letter, any other agreement between you and the Company or the provisions of the Release Agreement. If the Release Agreement is executed and delivered and no longer subject to revocation as provided in the preceding sentence, then the Severance Pay shall be paid in accordance with the Company’s general payroll practices at the time of termination and commencing on the second regularly scheduled payroll date after the sixtieth (60th) day after your termination of employment. The first payment of Severance Pay shall include payment of all amounts that otherwise would have been due prior thereto under the terms of this letter had such payments commenced immediately upon your termination of employment, and any payments made thereafter shall continue as provided herein. For the avoidance of doubt, if your employment is terminated for any reason other than by the Company without Cause (excluding terminations for death or Disability) or by you voluntarily for a Good Reason, you shall not be entitled to the Severance Pay.

10. You shall not make any statement that would libel, slander, defame or disparage the Company, any member of the Company or its affiliates or any of their respective past or present officers, directors, managers, stockholders, employees, independent contractors, or agents.

11. While we look forward to a long and profitable relationship, you will be an at-will employee of the Company as described in Section 8 of this letter and Section 3 of Exhibit A. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are, and should be regarded by you, as ineffective. Further, your participation in any benefit program or other Company program, if any, is not to be regarded as assuring you of continuing employment for any particular period of time.

12. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation establishing your identity and demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, you may contact our personnel office.

13. It should also be understood that all offers of employment are conditioned on the Company’s completion of a satisfactory background check, including a drug screening process. The Company reserves the right to perform background checks during the term of your employment, subject to compliance with applicable laws. **You will be required to execute forms authorizing such a background check.**

14. This letter along with its Exhibits and the documents referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter of this letter, and supersede all prior understandings and agreements, including but not limited to severance, employment or similar agreements, whether oral or written, between or among you and the Company or its predecessor with respect to the specific subject matter hereof.

15. In the event of a conflict between the terms of this letter and the provisions of Exhibit A, the terms of this letter shall prevail.

16. Notwithstanding any other provision herein, the Company shall be entitled to withhold from any amounts otherwise payable hereunder any amounts required to be withheld in respect of federal, state or local taxes.

17. The intent of the parties is that payments and benefits under this letter be exempt from or comply with Code Section 409A and the regulations and guidance promulgated thereunder (collectively "**Code Section 409A**") and, accordingly, to the maximum extent permitted, this letter shall be interpreted to be in compliance therewith. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on you by Code Section 409A or damages for failing to comply with Code Section 409A. A termination of employment shall not be deemed to have occurred for purposes of any provision of this letter providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this letter, references to a "termination," "termination of employment" or like terms shall mean "separation from service." Notwithstanding anything to the contrary in this Agreement, if you are deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service", and (B) the date of your death, to the extent required under Code Section 409A. For purposes of Code Section 409A, your right to receive any installment payments pursuant to this letter shall be treated as a right to receive a series of separate and distinct payments. To the extent that reimbursements or other in-kind benefits under this letter constitute "nonqualified deferred compensation" for purposes of Code Section 409A, (a) all such expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by you, (b) any right to such reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (c) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. Notwithstanding any other provision of this letter to the contrary, in no event shall any payment under this letter that constitutes "nonqualified deferred compensation" for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

18. The effective date of employment under the terms of this offer is expected to be on or about December 9, 2019. If you decide to accept the terms of this letter, and I hope you will, please signify your acceptance of these conditions of employment by signing and dating the enclosed copy of this letter and its **Exhibit A** and returning them to me, not later than November 1, 2019. Should you have anything that you wish to discuss, please do not hesitate to contact me.

By signing this letter and **Exhibit A** attached hereto, you represent and warrant that you have had the opportunity to seek the advice of independent counsel before signing and have either done so, or have freely chosen not to do so, and either way, you sign this letter voluntarily.

Very truly yours,

/s/ Michael Fosnaugh

Michael Fosnaugh

Authorized Signatory

I have read and understood this letter and **Exhibit A** attached and hereby acknowledge, accept and agree to the terms set forth therein.

/s/ Joseph T. Pergola

Signature

Name: Joseph Pergola

Date signed: 10/30/2019

**LIST OF EXHIBITS**

Exhibit A: Employment and Restrictive Covenants Agreement

Exhibit B: Certain Definitions

**EXHIBIT A**

**(To the Letter dated October 30, 2019)**

**Employment and Restrictive Covenants Agreement**

This Employment and Restrictive Covenants Agreement (this “Agreement”) is made effective December 9, 2019 (the “Effective Date”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as the “Company”) and Joseph Pergola (hereafter referenced as “Employee”).

1. **PURPOSE.** In connection with Employee’s employment by the Company (the “Employment”), Employee and the Company wish to set forth the terms and conditions under which Employee will be employed by the Company, and certain restrictions applicable to Employee as a result of the Employment with the Company. This Agreement is intended: to allow the parties to engage in the Employment, with the Company giving Employee access to the Company’s customers, employees, and Confidential Information (as that term is defined below); to protect the Company’s business, information, and relationships against unauthorized competition, solicitation, recruitment, use, or disclosure; and to clarify Employee’s legal rights and obligations.

2. **THE BUSINESS OF THE COMPANY.** The Company is engaged in the business of investing and operating in software and technology-enabled businesses, including a continuous program of research, development, production and marketing (collectively the “Business” of the Company). Employee acknowledges that the Company has a legitimate interest in protecting its Confidential Information, trade secrets, customer relationships, customer goodwill, employee relationships, and the special investment and training given to Employee.

3. **“AT WILL” EMPLOYMENT OF EMPLOYEE.** Employee shall perform such duties or responsibilities as assigned to Employee from time to time. The Parties acknowledge that Employee’s employment by the Company at all times is and shall remain “at will,” and may be terminated by either Party at any time, with or without notice and with or without cause. Employee acknowledges that but for Employee’s execution of this Agreement, Employee would not be employed by the Company.

- a. Employee acknowledges that Employee’s duties shall entail Employee’s contact with the Company’s customers to whom Employee is introduced, to which Employee is assigned, whose accounts Employee shall oversee, or for which Employee otherwise is directly or indirectly responsible. Employee further acknowledges that Employee will be given the use of the Company’s Confidential Information. Employee acknowledges that the Company’s goodwill with its customers and customer prospects, as well as the Company’s Confidential Information, are among the most valuable assets of the Company’s Business. Accordingly, Employee hereby agrees, acknowledges, covenants, represents and warrants that at all times during Employee’s employment with the Company, Employee will faithfully perform Employee’s duties with the utmost loyalty to the Company, and will owe a fiduciary duty and duty of loyalty to the Company. Employee agrees that during employment, Employee will do nothing disloyal or adverse to the Company or the Company’s Business, or which creates any conflict of interest with the Company or the Business of the Company. Employee will abide by the policies

of the Company at all times during Employee's employment, and acknowledges that the Company may unilaterally change its policies, practices, and procedures at any time, at the sole discretion of the Company. Employee understands and acknowledges that all equipment, communication devices, physical property, documents, information, data bases, furniture, accessories, premises, and any other items provided to Employee while employed by Company, shall at all times remain the sole property of the Company, and as such, Employee shall have no reasonable expectation of privacy when using such items.

- b. Employee acknowledges that Employee will be afforded an investment of time, training, money, trust, exposure to the public, or exposure to customers, vendors, suppliers, investors, joint venture partners, or other business relationships of the Company during the course of the Employment, and Employee's position gives Employee a high level of influence or credibility with the Company's customers, vendors, suppliers, or other business relationships. Employee understands and acknowledges that Employee will possess specialized skills, learning, abilities, customer contacts, or customer information by reason of working for the Company.
- c. Employee acknowledges that, through Employee's employment with the Company, Employee may customarily and regularly solicit customers and/or prospective customers for the Company, and/or engage in making sales or obtaining orders or contracts for products or services.
- d. Employee understands that the Company has specifically instructed him/her to refrain from bringing to the Company any documents or materials or intangibles of a former employer or third party that are not in the public domain, or have not been legally transferred or licensed to the Company, or that might constitute the confidential information or trade secrets of a prior employer. Employee agrees that when performing duties on behalf of the Company, he/she will not breach any invention assignment, proprietary information, confidentiality, noncompetition, nonsolicitation or other similar agreement with any former employer or other party.

4. **DUTY OF LOYALTY.** Employee understands that his/her employment and provision of services on behalf of the Company requires Employee's undivided attention and effort. Accordingly, during Employee's employment, Employee agrees that he/she will not, without the Company's express prior written consent, (i) engage in any other business activity, unless such activity is for passive investment purposes not otherwise prohibited by this Agreement and will not require Employee to render any services, (ii) be engaged or interested, directly or indirectly, alone or with others, in any trade, business or occupation in competition with the Company, (iii) take steps, alone or with others, to engage in competition with the Company in the future, or (iv) appropriate for Employee's own benefit business opportunities pertaining to the Company's Business.

## 5. INVENTIONS.

- a. **Prior Inventions.** Attached hereto as Schedule 1 is a complete and accurate list describing all Inventions (as defined below) which were conceived, discovered, created, invented, developed and/or reduced to practice by Employee prior to the commencement of his/her Employment that have not been legally assigned or licensed to the Company (collectively: "Prior Inventions"). If there are no such Prior Inventions, Employee shall initial Schedule 1 to indicate Employee has no Prior Inventions to disclose.

Employee acknowledges and agrees that if in the course of Employee's employment, Employee incorporates or causes to be incorporated into a Company product, service, process, file, system, application or program a Prior Invention, Employee will grant the Company a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, offer to sell, sell or otherwise distribute such Prior Invention as part of or in connection with such product, process, file, system, application or program.

- b. **Disclosure and Assignment of Inventions.** Employee agrees to promptly disclose to the Company in writing all Inventions (as defined below) that Employee conceives, develops and/or first reduces to practice or create, either alone or jointly with others, during the period of Employee's Employment, and for a period of three (3) months thereafter, whether or not in the course of Employee's Employment. Employee further assigns and agrees to assign all of Employee's rights, title and interest in the Inventions to the Company. In the event that the Company is unable for any reason to secure Employee's signature to any document required to file, prosecute, register or memorialize the ownership and/or assignment of any Invention, Employee hereby irrevocably designates and appoints the Company's duly authorized officers and agents as Employee's agents and attorneys-in-fact to act for and on Employee's behalf and stead to (i) execute, file, prosecute, register and/or memorialize the assignment and/or ownership of any Invention; (ii) to execute and file any documentation required for such enforcement and (iii) do all other lawfully permitted acts to further the filing, prosecution, registration, memorialization of assignment and/or ownership of, issuance of and enforcement of any Inventions, all with the same legal force and effect as if executed by Employee.

Employee acknowledges that he/she is not entitled to use the Inventions for Employee's own benefit or the benefit of anyone except the Company without written permission from the Company, and then only subject to the terms of such permission. Employee further agrees that Employee will communicate to the Company, as directed by the Company, any facts known to Employee and testify in any legal proceedings, sign all lawful papers, make all rightful oaths, execute all divisionals, continuations, continuations-in-part, foreign counterparts, or reissue applications, all assignments, all registration applications and all other instruments or papers to carry into full force and effect, the assignment, transfer and conveyance hereby made or to be made and generally do everything possible for title to the Inventions to be clearly and exclusively held by the Company as directed by the Company.

For purposes of this Agreement, "Inventions" means, without limitation, any and all formulas, algorithms, processes, techniques, concepts, designs, developments, technology, ideas, patentable and unpatentable inventions and discoveries, copyrights and works of authorship in any media now known or hereafter invented (including computer programs, source code, object code, hardware, firmware, software, mask work, applications, files, internet site content, databases and compilations, documentation and related items) patents, trade and service marks, logos, trade dress, corporate names and other source indicators and the good will of any business symbolized thereby, trade secrets, know-how, confidential and proprietary information, documents, analyses, research and lists (including current and potential customer and user lists) and all applications and registrations and recordings, improvements and licenses that (i) relate in any manner, whether at the time of conception, design or reduction to practice, to the Company's Business or its actual or demonstrably anticipated research or development; (ii) result from any work performed by Employee on behalf of the Company; or (iii) result from the use of the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets.

Employee recognizes that Inventions or proprietary information relating to Employee's activities while working for the Company, and conceived, reduced to practice, created, derived, developed, or made by Employee, alone or with others, within three (3) months after termination of Employee's employment may have been conceived, reduced to practice, created, derived, developed, or made, as applicable, in significant part while Employee was employed by the Company. Accordingly, Employee agrees that such Inventions and proprietary information shall be presumed to have been conceived, reduced to practice, created, derived, developed, or made, as applicable, during Employee's employment with the Company and are to be assigned to the Company pursuant to this Agreement and applicable law unless and until Employee has established the contrary by clear and convincing evidence.

- c. **Work for Hire.** Employee acknowledges and agrees that any copyrightable works prepared by Employee within the scope of Employee's employment are "works made for hire" under the Copyright Act and that the Company will be considered the author and owner of such copyrightable works. Any copyrightable works the Company specially commissions from Employee while Employee is employed also shall be deemed a work made for hire under the Copyright Act and if for any reason such work cannot be so designated as a work made for hire, Employee agrees to and hereby assigns to the Company, as directed by the Company, all right, title and interest in and to said work(s). Employee further agrees to and hereby grants the Company, as directed by the Company, a nonexclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, publicly perform, display or otherwise distribute any copyrightable works Employee creates during Employee's Employment.
- d. **Assignment of Other Rights.** In addition to the foregoing assignment of Inventions to the Company, Employee hereby irrevocably transfers and assigns to the Company: (i) all worldwide patents, patent applications, copyrights, mask works, trade secrets and other intellectual property rights in any Inventions; and (ii) any and all "Moral Rights" (as defined below) that Employee may have in or with respect to any Inventions. Employee also hereby forever waives and agrees never to assert any and all Moral Rights Employee may have in or with respect to any Inventions, even after

termination of Employee's work on behalf of the Company. "Moral Rights" mean any rights to claim authorship of any Inventions, to object to or prevent the modification of any Inventions, or to withdraw from circulation or control the publication or distribution of any Inventions, and any similar right, existing under applicable judicial or statutory law of any country in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a "moral right."

- e. **Applicability to Past Activities.** To the extent Employee has been engaged to provide services by the Company or its predecessor for a period of time before the effective date of this Agreement (the "Prior Engagement Period"), Employee agrees that if and to the extent that, during the Prior Engagement Period: (i) Employee received access to any information from or on behalf of the Company that would have been proprietary information if Employee had received access to such information during the period of Employee's Employment with the Company under this Agreement; or (ii) Employee conceived, created, authored, invented, developed or reduced to practice any item, including any intellectual property rights with respect thereto, that would have been an Invention if conceived, created, authored, invented, developed or reduced to practice during the period of Employee's Employment with the Company under this Agreement; then any such information shall be deemed proprietary information hereunder and any such item shall be deemed an Invention hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.

## 6. NONDISCLOSURE AGREEMENT.

- a. Employee expressly agrees that, throughout the term of Employee's Employment with the Company and at all times following the termination of Employee's Employment from the Company, for so long as the information remains confidential, Employee will not use or disclose any Confidential Information disclosed to Employee by the Company, other than for the purpose to carry out the Employment for the benefit of the Company (but in all cases preserving confidentiality by following the Company's policies and obtaining appropriate non-disclosure agreements). Employee shall not, directly or indirectly, use or disclose any Confidential Information to third parties, nor permit the use by or disclosure of Confidential Information by third parties. Employee agrees to take all reasonable measures to protect the secrecy of and avoid disclosure or use of Confidential Information in order to prevent it from falling into the public domain or into the possession of any Competing Business or any persons other than those persons authorized under this Agreement to have such information for the benefit of the Company. Employee agrees to notify the Company in writing of any actual or suspected misuse, misappropriation, or unauthorized disclosure of Confidential Information that may come to Employee's attention. Employee acknowledges that if Employee discloses or uses knowledge of the Company's Confidential Information to gain an advantage for Employee, for any Competing Business, or for any other person or entity other than the Company, such an advantage so obtained would be unfair and detrimental to the Company.



- b. Employee expressly agrees that Employee's duty of non-use and nondisclosure shall continue indefinitely for any information of the Company that constitutes a Trade Secret under applicable law, so long as such information remains a Trade Secret.
- c. **Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.**
- d. **Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.**
- e. **Nothing in this agreement prohibits me from reporting possible violations of federal law or regulation to any governmental agency or entity including, but not limited to, the Department of Justice, the Securities and Exchange Commission, Congress, and any agency Inspector General, or from making other disclosures that are protected under the whistleblower provisions of federal law or regulation. I do not need the prior authorization of my supervisor or anyone else affiliated with the Company to make any such reports or disclosures, and I am not required to notify my supervisor or anyone else affiliated with the Company that I have made such reports or disclosures.**

7. **RETURN OF COMPANY PROPERTY AND MATERIALS.** Any Confidential Information, trade secrets, materials, equipment, information, documents, electronic data, or other items that have been furnished by the Company to Employee in connection with the Employment are the exclusive property of the Company and shall be promptly returned to the Company by Employee, accompanied by all copies of such documentation, immediately when the Employment has been terminated or concluded, or otherwise upon the written request of the Company. Employee shall not retain any copies of any Company information or other property after the Employment ends, and shall cooperate with the Company to ensure that all copies, both written and electronic, are immediately returned to the Company. Employee shall cooperate with Company representatives and allow such representatives to oversee the process of erasing and/or permanently removing any such Confidential Information or other property of the Company from any computer, personal digital assistant, phone, or other electronic device, or any cloud-based storage account or other electronic medium owned or controlled by Employee.

8. **LIMITED NONCOMPETE AGREEMENT.** Employee expressly agrees that Employee will not (either directly or indirectly, by assisting or acting in concert with others) Compete with the Company during the Restricted Period within the Restricted Territory.

9. **NONSOLICITATION OF CUSTOMERS/PROSPECTIVE CUSTOMERS.** Employee expressly agrees that during the Restricted Period, Employee will not (either directly or indirectly, by assisting or acting in concert with others), on behalf of himself/herself or any other person, business, entity, including but not limited to on behalf of a Competing Business, call upon, solicit, or attempt to call upon or solicit any business from any Customer or Prospective Customer for the purpose of providing services substantially similar to the Services.

10. **NONRECRUITMENT OF EMPLOYEES.** Employee expressly agrees that during the Restricted Period, Employee will not, on behalf of himself/herself or any other person, business, or entity (either directly or indirectly, by assisting or acting in concert with others), solicit, recruit, or encourage, or attempt to solicit, recruit, or encourage any of the Company's employees, in an effort to hire such employees away from the Company, or to encourage any of the Company's employees to leave employment with the Company to work for a Competing Business.

11. **REMEDIES; INDEMNIFICATION.** Employee agrees that the obligations set forth in this Agreement are necessary and reasonable in order to protect the Company's legitimate business interests and (without limiting the foregoing) that the obligations set forth in Sections 8, 9 and 10 are necessary and reasonable in order to protect the Company's legitimate business interests in protecting its Confidential Information, Trade Secrets, customer and employee relationships and the goodwill associated therewith. Employee expressly agrees that due to the unique nature of the Company's Confidential Information, and its relationships with its Customers and other employees, monetary damages would be inadequate to compensate the Company for any breach by Employee of the covenants and agreements set forth in this Agreement. Accordingly, Employee agrees and acknowledges that any such violation or threatened violation shall cause irreparable injury to the Company and that, in addition to any other remedies that may be available in law, in equity, or otherwise, the Company shall be entitled: (a) to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach by Employee, without the necessity of proving actual damages; and (b) to be indemnified by Employee from any loss or harm; and (c) to recover any costs or attorneys' fees, arising out of or in connection with any breach by Employee or enforcement action relating to Employee's obligations under this Agreement.

12. **INJUNCTIVE RELIEF; TOLLING.** Notwithstanding the arbitration provisions contained herein, or anything else to the contrary in this Agreement, Employee understands that the violation of any restrictive covenants of this Agreement may result in irreparable and continuing damage to the Company for which monetary damages will not be sufficient, and agrees that Company will be entitled to seek, in addition to its other rights and remedies hereunder or at law and both before or while an arbitration is pending between the parties under this Agreement, a temporary restraining order, preliminary injunction or similar injunctive relief from a court of competent jurisdiction in order to preserve the status quo or prevent irreparable injury pending the full and final resolution of the dispute through arbitration, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned injunctive relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief through arbitration proceedings. This Section shall not be construed to limit the obligation for either party to pursue arbitration. The Restricted Period as defined in this Agreement may be extended during the pendency of any litigation (including appeals) or arbitration proceeding, in order to give the Company the full protection of the restrictive covenants as described in this Agreement.

13. **DEFINITIONS.** For all purposes throughout this Agreement, the terms defined below shall have the respective meanings specified in this section.

- a. **“Compete”** shall mean to provide Competitive Services, whether Employee is acting on behalf of himself/herself, or in conjunction with or in concert with any other entity, person, or business, including activities performed while working for or on behalf of a Customer.
- b. **“Competing Business”** shall mean any entity, including but not limited to any person, company, partnership, corporation, limited liability company, association, organization or other entity that provides Competitive Services.
- c. **“Competitive Services”** shall mean the business or process of researching into, developing, manufacturing, distributing, selling, supplying or otherwise dealing with (including but not limited to technical and product support, professional services, technical advice and other customer services) the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing, and any other services of the type or similar to the type provided, conducted, authorized, or offered by the Company or any predecessor within the two (2) years prior to the termination of your employment.
- d. **“Confidential Information”** shall mean sensitive business information having actual or potential value to the Company or its affiliates because it is not generally known to the general public or ascertainable by a Competing Business, and which has been disclosed to Employee, or of which Employee will become aware, as a consequence of the Employment with the Company, including any information related to: the Company’s investment strategies, management planning information, business plans, operational methods, market studies, marketing plans or strategies, patent information, business acquisition plans, past, current and planned research and development, formulas, methods, patterns, processes, procedures, instructions, designs, inventions, operations, engineering, services, drawings, equipment, devices, technology, software systems, price lists, sales reports and records, sales books and manuals, code books, financial information and projections, personnel data, names of customers, customer lists and contact information, customer pricing and purchasing information, lists of targeted prospective customers, supplier lists, product/service and marketing data and programs, product/service plans, product development, advertising campaigns, new product designs or roll out, agreements with third parties, or any such similar information. Confidential Information shall also include the track record and investment performance of Vista Equity Partners and its affiliated investment funds, as well as any information disclosed to the Company by a third party (including, but not limited to, current or prospective customers) that the Company is obliged to treat as confidential. Confidential Information may be in written or non-written form, as well as information held on electronic media or networks, magnetic storage, cloud storage service, or other similar media. The Company has invested and will continue to invest extensive time, resources, talent, and effort to develop its Confidential Information, all of which generates goodwill for the Company. Employee acknowledges that the Company has taken reasonable and adequate steps to control access to the Confidential Information and to prevent unauthorized disclosure, which could cause injury to the Company. This definition shall not limit any broader definition of “confidential information” or any equivalent term under applicable state or federal law.

- e. **“Customer”** of the Company shall mean any business or entity with which Employee had Material Contact, for the purpose of providing Services, during the twelve (12) months preceding Employee’s termination date.
- f. **“Material Contact”** shall mean actual contact between Employee and a Customer with whom Employee dealt on behalf of the Company; or whose dealings with the Company were coordinated or supervised by Employee; or who received goods or services from the Company that resulted in payment of commissions or other compensation to Employee; or about whom Employee obtained Confidential Information because of Employee’s Employment with the Company; or whom employee contacted with the intent of establishing or strengthening a business or professional relationship for the Company.
- g. **“Prospective Customer”** shall mean any business or entity with whom Employee had Material Contact, for the purpose of attempting to sell or provide Services, and to whom Employee provided a bid, quote for Services, or other Confidential Information of the Company, during the twelve (12) months preceding Employee’s termination date.
- h. **“Restricted Period”** shall mean the entire term of Employee’s employment with the Company and a two (2) year period immediately following the termination of Employee’s employment, unless otherwise delineated or described in the “end notes and exceptions” at the end of this Agreement.
- i. **“Restricted Territory”** shall mean the geographic area in which or with respect to which Employee provided or attempted to provide any Services or performed operations on behalf of the Company as of the date of termination or during the twelve (12) months preceding Employee’s termination date.
- j. **“Services”** shall mean the types of work product, processes and work-related activities relating to the Business of the Company performed by Employee during the Employment.
- k. **“Trade Secrets”** shall mean the business information of the Company that is competitively sensitive and which qualifies for trade secrets protection under applicable trade secrets laws, including but not limited to the Defend Trade Secrets Act. This definition shall not limit any broader definition of “trade secret” or any equivalent term under any applicable local, state or federal law.

14. **MANDATORY ARBITRATION CLAUSE; NO JURY TRIAL.** A Party may bring an action in court to obtain a temporary restraining order, injunction, or other equitable relief available in response to any violation or threatened violation of the restrictive covenants set forth in this Agreement. Otherwise, Employee expressly agrees and acknowledges that the Company and Employee will utilize binding arbitration to resolve all disputes that may arise out of the employment context.

- a. Both the Company and Employee hereby agree that any claim, dispute, and/or controversy that Employee may have against the Company (or its owners, directors, officers, managers, employees, agents, insurers and parties affiliated with its employee benefit and health plans), or that the Company may have against Employee, arising from, related to, or having any relationship or connection whatsoever to the Employment, shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, *et seq.*) in conformity with the Federal Rules of Civil Procedure. Included within the scope of this Agreement are all disputes including, but not limited to, any claims alleging employment discrimination, harassment, hostile environment, retaliation, whistleblower protection, wrongful discharge, constructive discharge, failure to grant leave, failure to reinstate, failure to accommodate, tortious conduct, breach of contract, and/or any other claims Employee may have against the Company for any exemption misclassification, unpaid wages or overtime pay, benefits, bonuses, commissions, vacation pay, leave pay, workforce reduction payments, costs or expenses, emotional distress, pain and suffering, or other alleged damages arising out of the Employment or termination. Also included are any claims based on or arising under Title VII, 42 USC Section 1981, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Fair Labor Standards Act, Sarbanes-Oxley, all as amended, or any other state or federal law or regulation, equitable law, or otherwise relating in any way to the employment relationship.
- b. Nothing herein, however, shall prevent Employee from filing and pursuing proceedings before the United States Equal Employment Opportunity Commission or similar state agency (although if Employee chooses to pursue any type of claim for relief following the exhaustion of such administrative remedies, such claim would be subject to resolution under these mandatory arbitration provisions). In addition, nothing herein shall prevent Employee from filing an administrative claim for unemployment benefits or workers' compensation benefits.
- c. Nothing in the confidentiality or nondisclosure or other provisions of this Agreement shall be construed to limit Employee's right to respond accurately and fully to any question, inquiry or request for information when required by legal process or from initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority, regarding the Company, Employee's Employment, or this Agreement. Employee is not required to contact the Company regarding the subject matter of any such communications before engaging in such communications. Employee also understands that Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (1) is made (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Employee also understands that disclosure of trade secrets to attorneys, in legal proceedings if disclosed under seal, or pursuant to court order is also protected under 18 U.S. Code §1833 when disclosure is made in connection with a retaliation lawsuit based on the reporting of a suspected violation of law.

1.

- d. In addition to any other requirements imposed by law, the arbitrator selected shall be a qualified individual mutually selected by the Parties, and shall be subject to disqualification on the same grounds as would apply to a judge. All rules of pleading, all rules of evidence, all statutes of limitations, all rights to resolution of the dispute by means of motions for summary judgment, and judgment on the pleadings shall apply and be observed. Resolution of the dispute shall be based solely upon the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis (including but not limited to, notions of “just cause”) other than such controlling law. Likewise, all communications during or in connection with the arbitration proceedings are privileged. The arbitrator shall have the authority to award appropriate substantive relief under relevant laws, including the damages, costs and attorneys’ fees that would be available under such laws.
- e. Employee’s initial share of the arbitration fee shall be in an amount equal to the filing fee as would be applicable in a court proceeding, or \$100, whichever is less. Beyond the arbitration filing fee, the Company will bear all other fees, expenses and charges of the arbitrator.
- f. Employee understands and agrees that all claims against the Company must be brought in Employee’s individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. Employee understands that there is no right or authority for any dispute to be heard or arbitrated on a collective action basis, class action basis, as a private attorney general, or on bases involving claims or disputes brought in a representative capacity on behalf of the general public, on behalf of other Company employees (or any of them) or on behalf of other persons alleged to be similarly situated. Employee understands that there are no bench or jury trials and no class actions or representative actions permitted under this Agreement. The Arbitrator shall not consolidate claims of different employees into one proceeding, nor shall the Arbitrator have the power to hear an arbitration as a class action, collective action, or representative action. The interpretation of this subsection shall be decided by a judge, not the Arbitrator.
- g. Procedure. Employee and Company agree that prior to the service of an Arbitration Demand, the parties shall negotiate in good faith for a period of thirty (30) days in an effort to resolve any arbitrable dispute privately, amicably and confidentially. To commence an arbitration pursuant to this Agreement, a party shall serve a written arbitration demand (the “Demand”) on the other party by hand delivery or via overnight delivery service (in a manner that provides proof of receipt by respondent). The Demand shall be served before expiration of the applicable statute of limitations. The Demand shall describe the arbitrable dispute in sufficient detail to advise the respondent of the nature and basis of the dispute, state the date on which the dispute first arose, list the names and addresses of every person whom the claimant believes does or may have information relating to the dispute, including a short description of the matter(s) about which each person is believed to have knowledge, and state with particularity the relief requested by the claimant,

including a specific monetary amount, if the claimant seeks a monetary award of any kind. If respondent does not provide a written Response to the Demand, all allegations will be considered denied. The parties shall confer in good faith to attempt to agree upon a suitable arbitrator, and if unable to do so, they will select an arbitrator from the American Arbitration Association's employment arbitration panel for the area. The arbitrator shall allow limited discovery, as appropriate in his or her discretion. The arbitrator's award shall include a written reasoned opinion.

- h. Employee understands, agrees, and consents to this binding arbitration provision, and Employee and the Company hereby each expressly waive the right to trial by jury of any claims arising out of Employment with the Company. **By initialing below, Employee acknowledges that Employee has read, understands, agrees and consents to the binding arbitration provision, including the class action waiver. Employee's Initials: JTP**

15. **NOTICE OF VOLUNTARY TERMINATION OF EMPLOYMENT.** Unless otherwise stated in Employee's offer letter of employment, Employee agrees to use reasonable efforts to provide the Company fourteen (14) days written notice of Employee's intent to terminate Employee's Employment; provided, however, that this provision shall not change the at-will nature of the employment relationship between Employee and the Company. It shall be within the Company's sole discretion to determine whether Employee should continue to perform services on behalf of the Company during this notice period.

16. **NON-DISPARAGEMENT.** During and after Employee's Employment with the Company, except to the extent compelled or required by law, Employee agrees he/she shall not disparage the Company, its customers and suppliers or their respective officers, directors, agents, servants, employees, attorneys, shareholders, successors or assigns or their respective products or services, in any manner (including but not limited to, verbally or via hard copy, websites, blogs, social media forums or any other medium); provided, however, that nothing in this Section shall prevent Employee from: engaging in concerted activity relative to the terms and conditions of Employee's Employment and in communications protected under the National Labor Relations Act, filing a charge or providing information to any governmental agency, or from providing information in response to a subpoena or other enforceable legal process or as otherwise required by law.

17. **NOTIFICATION OF NEW EMPLOYER.** Before Employee accepts Employment or enters into any consulting, independent contractor, or other professional or business engagement with any other person or entity while any of the provisions of Sections 8, 9 or 10 of this Agreement are in effect, Employee will provide such person or entity with written notice of the provisions of Sections 8, 9 and/or 10 and will deliver a copy of that notice to the Company. While any of Sections 8, 9 or 10 of this Agreement are in effect, Employee agrees that, upon the request of the Company, Employee will furnish the Company with the name and address of any new employer or entity for whom Employee provides contractor or consulting services, as well as the capacity in which Employee will be employed or otherwise engaged. Employee hereby consents to the Company's notifying Employee's new employer about Employee's responsibilities, restrictions and obligations under this Agreement.

18. **WITHHOLDING.** To the extent allowed by applicable law, Employee agrees to allow Company to deduct from the final paycheck(s) any amounts due as a result of the Employment, including, but not limited to, any expense advances or business charges incurred on behalf of the Company, charges for property damaged or not returned when requested, and any other charges incurred that are payable to the Company. Employee agrees to execute any authorization form as may be provided by Company to effectuate this provision.

19. **NO RIGHTS GRANTED.** Nothing in this Agreement shall be construed as granting to Employee any rights under any patent, copyright, or other intellectual property right of the Company, nor shall this Agreement grant Employee any rights in or to Confidential Information of the Company other than the limited right to review and use such Confidential Information solely for the purpose of participating in the Employment for the benefit of the Company.

20. **SUCCESSORS AND ASSIGNS.** This Agreement will be binding upon Employee's heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, its assigns and licensees. This Agreement, and Employee's rights and obligations hereunder, may not be assigned by Employee; however, the Company may assign its rights hereunder without Employee's consent, whether in connection with any sale, transfer or other disposition of any or all of its business or assets or otherwise.

21. **SEVERABILITY AND REFORMATION.** Employee and the Company agree that if any particular paragraphs, subparagraphs, phrases, words, or other portions of this Agreement are determined by an appropriate court, arbitrator, or other tribunal to be invalid or unenforceable as written, they shall be modified as necessary to comport with the reasonable intent and expectations of the parties and in favor of providing maximum reasonable protection to the Company's legitimate business interests. Such modification shall not affect the remaining provisions of this Agreement. If such provisions cannot be modified to be made valid or enforceable, then they shall be severed from this Agreement, and all remaining terms and provisions shall remain enforceable. Paragraphs 6, 8 and 9 and each restrictive covenant within them are intended to be divisible and to be interpreted and applied separately and independently.

22. **ENTIRE AGREEMENT; AMENDMENT.** This Agreement contains the entire agreement between the Parties relating to the subject matters contained herein. No term of this Agreement may be amended or modified unless made in writing and executed by both Employee and an authorized agent of the Company. This Agreement replaces and supersedes all prior representations, understandings, or agreements, written or oral, between Employee and the Company with regard to restrictive covenants, post-employment restrictions, and mandatory arbitration.

23. **WAIVER.** Failure to fully enforce any provision of this Agreement by either Party shall not constitute a waiver of any term hereof by such Party; no waiver shall be recognized unless expressly made in writing, and executed by the Party that allegedly made such waiver.

24. **CONSTRUCTION.** The Parties agree that this Agreement has been reviewed by each Party, each Party had an opportunity to make suggestions about the provisions of this Agreement, and each Party had sufficient opportunity to obtain the advice of legal counsel on matters of contract interpretation, if desired. The Parties agree that this Agreement shall not be construed or interpreted more harshly against one Party merely because one Party was the original drafter of this Agreement.

25. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same legally recognized instrument.



26. **THIRD-PARTY BENEFICIARIES.** Employee specifically acknowledges and agrees that the direct and indirect subsidiaries, parents, owners, and affiliated companies of the Company are intended to be beneficiaries of this Agreement and shall have every right to enforce the terms and provisions of this Agreement in accordance with the provisions of this Agreement.

27. **NOTICES.** Notices regarding this Agreement shall be sent via email or to the mailing addresses of the Parties as set forth in the signature block to this Agreement.

28. **GOVERNING LAW AND FORUM SELECTION.** This Agreement shall be governed by and construed in accordance with the Federal Arbitration Act. Any non-arbitration-covered disputes shall be resolved under the substantive laws and in the jurisdiction of the state where Employee most recently worked for the Company.

29. **EMPLOYEE'S RIGHT TO CONSULT WITH COUNSEL.** Employee acknowledges that Employee has been provided an opportunity, and has been made aware of Employee's right, to consult with counsel of his or her choosing prior to signing this Agreement, including specifically (but without limitation) the LIMITED NONCOMPETE AGREEMENT set forth in Paragraph 8, above.

30. **ENDNOTES AND EXCEPTIONS.** Certain foregoing provisions of this Agreement are hereby modified in certain states as described in the following subparagraphs.

- a. **Paragraph 6:** The “**Nondisclosure Agreement**” shall apply not for the entire time period following Employee's Employment, but rather shall apply only during the Restricted Period, in the following states: Arizona, Florida, Illinois, Indiana, New Jersey, Virginia and Wisconsin. Additionally, to the extent Paragraph 6.a applies in Wisconsin to Confidential Information that does not constitute a trade secret under applicable law, it shall apply only in geographic areas where the unauthorized disclosure or use of Confidential Information would be competitively damaging to the Company.
- b. **Paragraph 8:** The “**Limited Noncompete Agreement**” at paragraph eight (8) of this Agreement does not apply to North Dakota employees doing business in North Dakota, and does not apply to Oklahoma employees doing business in Oklahoma. With respect to Washington employees doing business in Washington, in consideration of the post-employment restriction, and only if the Company elects to enforce such restriction, the Company will pay Employee sufficient monetary consideration as appropriate under the circumstances and as required by law. With respect to Massachusetts employees doing business in Massachusetts, (i) it shall apply only during the term of Employee's employment with the Company and the one (1) year period immediately following the termination of Employee's employment; (ii) it shall not apply at all if Employee was laid off from work or terminated without cause; (iii) Employee shall have a right to consult with counsel before executing this Agreement; and (iv) in consideration of the post-employment restriction, and only if the Company elects to enforce such restriction, the Company will pay Employee sufficient monetary consideration as appropriate under the circumstances.
- c. **Paragraph 9:** The “**Nonsolicitation of Customers/Prospective Customers**” provision shall apply not to any Prospective Customer, but rather shall apply only to any Customer, in the following states: Illinois, Maryland, Massachusetts, Missouri, Nebraska, New Hampshire, New Jersey, North Carolina, Oklahoma, and Wisconsin. Additionally, in Wisconsin, Paragraph 9 shall not apply to “attempts.” Additionally, the Nonsolicitation of Customers/Prospective Customers provision at paragraph nine (9) of this Agreement does not apply to North Dakota employees doing business in North Dakota.

- d. **Paragraph 10: “Nonrecruitment of Employees”** shall not apply in Wisconsin. The **Restricted Period** for the nonrecruitment of Company employees in Paragraph 10 shall be eighteen (18) months in the following states: Alabama.
- e. **Paragraph 12:** The final sentence of Paragraph 12 shall not apply in the following states: Arkansas, Louisiana, and Wisconsin.
- f. **Paragraph 13(c):** The definition of “**Competitive Services**” shall mean the business or process of researching into, developing, manufacturing, distributing, selling, supplying, or otherwise dealing with (including but not limited to technical and product support, professional services, technical advice and other customer services) of the kind provided by Employee to the Company during the two (2) years immediately prior to the termination of Employee’s employment in the following states: Massachusetts.
- g. **Paragraph 13(e): “Confidential Information”** The definition of Confidential Information shall include only information that has actual value to the Company in the following States: Wisconsin.
- h. **Paragraph 13(h): “Restricted Period”** shall mean the entire term of Employee’s Employment with the Company and a one (1) year period immediately following the termination of Employee’s Employment, in the following states: Arizona; Missouri; Montana, New Mexico, Utah, and Wyoming. “**Restricted Period**” shall mean the entire term of Employee’s Employment with the Company and an eighteen (18) month period immediately following the termination of Employee’s Employment, in the following states: Alabama, Oregon and Washington. “**Restricted Period**” shall mean a two (2) year period immediately following the termination of Employee’s Employment, but does not include the entire term of Employee’s employment with the Company, in the following states: North Carolina.

3.

i. **Addendums.** For Illinois, Louisiana or Oregon, please see the attached Addendum.

The Parties have executed this Employment and Restrictive Covenants Agreement, which is effective as of the Effective Date written above.

**For Employee:**

Signature:

/s/ Joseph T. Pergola

Printed Name: Joseph Pergola

Address: \*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 10/30/2019

**For Company:**

Signature:

/s/ Michael Fosnaugh

Printed Name: Michael Fosnaugh

Address: 180 N. Stetson Ave., Suite 4000

Chicago, IL 60601

Title: Authorized Signatory

Date: 10/30/2019

**Schedule 1**

**(List of Employee's Prior Inventions)**

By initialing here, I represent and warrant that I have no Prior Inventions, as that term is defined in the Agreement to which this Schedule 1 is attached.

OR

Below is a complete and accurate list of Prior Inventions, as that term is defined in the Agreement to which this Schedule 1 is attached.

**For Employee:**

Signature: /s/ Joseph T. Pergola

Printed Name: Joseph Pergola

Address: \*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 10/30/2019

## EXHIBIT B

### Certain Definitions

“**Cause**” means any of the following: (i) a material failure by you to perform your responsibilities or duties to the Company under this letter or those other responsibilities or duties as requested from time to time by the Board, after written demand for performance has been given by the Board that identifies how you have not performed your responsibilities or duties and such failure, if susceptible of cure, has not been cured for a period of ten (10) days after you receive notice from the Board; (ii) your engagement in illegal conduct or gross misconduct that the Company in good faith believes has or may harm the standing and reputation of the Company; (iii) your commission or conviction of, or plea of guilty or *nolo contendere* to, a felony, a crime involving moral turpitude or any other act or omission that the Company in good faith believes has or may harm the standing and reputation of the Company; (iv) a material breach of your duty of loyalty to the Company or your material breach of the Company’s written code of conduct and business ethics (or similar policies), or anti-harassment policy, discrimination or retaliation, or Sections 4 through 10 and 16 of the Employment and Restrictive Covenants Agreement, or any other material written agreement between you and the Company; (v) dishonesty, fraud, gross negligence or repetitive negligence committed without regard to corrective direction in the course of discharge of your duties as an employee; or (vi) excessive and unreasonable absences from your duties for any reason (other than authorized leave).

“**Disability**” means your inability to perform the essential functions of your job, with or without accommodation, as a result of any mental or physical disability or incapacity for an extended period but not less than sixty (60) business days in any consecutive 6 month period, as determined in the sole discretion of the Company.

“**Good Reason**” means that you voluntarily terminate your employment with the Company if there should occur without your written consent:

- (i) a material, adverse change in your duties or responsibilities with the Company, provided that a change in title or a change in the person or office to which you report, shall not, by itself, constitute such a material, adverse change;
- (ii) a reduction in your then current base salary by more than ten percent (10%);
- (iii) a relocation of your primary work site to a location outside a 50 mile radius of your current primary work site; and/or
- (iv) the material breach by the Company of any offer letter or employment agreement between you and the Company;

provided, however, that in each case above, you must (a) first provide written notice to the Company of the existence of the Good Reason condition within thirty (30) days of the initial existence of such event specifying the basis for your belief that you are entitled to terminate your employment for Good Reason, (b) give the Company an opportunity to cure any of the foregoing within thirty (30) days following your delivery to the Company of such written notice, and (c) actually resign your employment within thirty (30) days following the expiration of the Company’s thirty (30) day cure period.

All references to the Company in these definitions shall include parent, subsidiary, affiliate and successor entities of the Company.

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IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Amendment as of the date first written above.

INTEGRAL AD SCIENCE, INC.

By: /s/ Lisa Nadler  
Chief HR Officer

EMPLOYEE

By: /s/ Joseph T. Pergola  
Joe Pergola

## AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT

This Amendment No. 1 (this “**Amendment**”) to the Employment Agreement (the “**Original Employment Agreement**”) dated October 30, 2019 by and between Integral Ad Science, Inc. (the “**Company**”) and Joseph Pergola (“**Employee**”), is made and entered into as of November 24, 2020, by and between the Company and the Employee. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Original Employment Agreement.

**WHEREAS**, the undersigned wish to amend the Original Employment Agreement as set forth herein.

**NOW, THEREFORE**, in consideration of the mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

**1. Amendments to the Original Employee Agreement.**

(a) Section 1 of the Original Employment Agreement is hereby amended by deleting the words “Chief of Staff” and replacing them with the words “Chief Financial Officer”.

(b) Section 2 of the Original Employment Agreement is hereby amended by deleting the words “Your starting base salary will be \$240,000” and replacing them with the words “Effective as of November 24, 2020, your base salary will be \$375,000”.

(c) Paragraph 2 of Section 2 of the Original Employment Agreement is hereby amended by deleting and replacing this paragraph in its entirety with the following:

“With respect to your bonus opportunities beginning on and after November 24, 2020, and for each calendar year bonus period beginning on January 1, 2021 thereafter, you will be eligible to receive a discretionary bonus of up to 40% of your then current Base Salary (the “**Bonus**”). The Bonus will be awarded at the sole discretion of the Board of Directors of the Company (the “**Board**”), based on the Board’s determination as to your achievement of predetermined thresholds which may include, but are not limited to, management by objectives (“**MBOs**”) and financial targets such as revenue, recurring revenue, gross profit and/or EBITDA targets. In addition, with respect to your bonus opportunities you will also be eligible for an additional discretionary bonus of up to 10% of your then current Base Salary, awarded at the sole discretion of the Board based on the Board’s determination as to your achievement of “stretch” targets (the “**Stretch Bonus**”).

(d) Section 5 of the Original Employment Agreement is hereby amended to include: You will be eligible to receive that number of options to purchase Units (the “**Unit Options**”) of Kavacha Topco, LLC (“**Topco**”), which Unit Options shall represent approximately an additional 0.275% of the fully-diluted equity securities of Topco at the time of issuance, bringing your total value to 0.35% of the fully-diluted equity securities of Topco at the time of issuance. The incremental amount is subject to the same terms as the initial 0.075% of the fully-diluted equity securities of Topco at the time of issuance.

(e) Section 9 of the Original Employment Agreement is hereby amended by deleting and replacing Section 9 in its entirety with the following:

“9. If the Company terminates your employment without “Cause” or you voluntarily terminate your employment for a “Good Reason”, you will be entitled to receive a severance payment (the “**Severance Pay**”) equal to 6 months of your then applicable Base Salary, payable in equal installments over the 6 month period following your termination, and, at the sole discretion of the Board, a pro-rated portion of any Bonus that may have been awarded to you during the fiscal year in which such termination occurs, less deductions and withholdings required by law or authorized by you and subject to (A) your timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“**COBRA**”) and (B) your continued copayment of premiums at the same level and cost to you as if you were an employee of the Company (excluding, for purposes of calculating cost, an employee’s ability to pay premiums with pre-tax dollars), continued participation in the Company’s group health plan (to the extent permitted under applicable law and the terms of such plan) which covers you for a period of zero to three months at the Company’s expense, provided that you are eligible and remain eligible for COBRA coverage; provided, further, that the Company’s obligation to subsidize COBRA premiums is contingent on the Company determining that such subsidies would reasonably be expected to not result in the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that you obtain other employment that offers group health benefits, such continuation of coverage by the Company under this Section 9 shall immediately cease, subject to the following:

(a) For purposes of this section, “**Cause**” and “**Good Reason**” have the meanings set forth in **Exhibit C** attached hereto.

(b) The Company will not be required to pay the Severance Pay unless (i) you execute and deliver to the Company an agreement (“**Release Agreement**”) in a form satisfactory to the Company releasing from all liability (other than as set forth below) the Company, each member of the Company, and any of their respective past or present officers, directors, managers, employees investors, agents or affiliates, including Vista, and you do not revoke such Release Agreement during any applicable revocation period, (ii) such Release Agreement is executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the date of your termination of employment, and (iii) you have not breached the provisions of Sections 4 through 10 and 16 of **Exhibit A**, the terms of this letter or any agreement between you and the Company or the provisions of the Release Agreement. If the Release Agreement is executed and delivered and no longer subject to revocation as provided in the preceding sentence, then the Severance Pay shall be paid in accordance with the Company’s general payroll practices at the time of termination, and commencing on the first payroll date occurring after the effective date of the Release Agreement (if permitted by Code Section 409A), or otherwise commencing on the first payroll date occurring after the sixtieth (60<sup>th</sup>) day following your termination of employment. The first payment of Severance Pay shall include payment of all amounts that otherwise would have been due prior thereto under the terms of this letter had such payments commenced immediately upon your termination of employment, and any payments made thereafter shall continue as provided herein. The Release Agreement will not require you to release (A) the payments and benefits contemplated by this letter, (B) any rights to indemnification pursuant to any statute or governing documents of the Company, and (C) any claims which by law cannot be waived in a private agreement between an employer and employee.”



(f) the Original Employment Agreement is hereby amended by adding Exhibit C.

### EXHIBIT C

#### Certain Definitions

“Cause” means any of the following:

- (i) a material failure by you to perform your responsibilities or duties to the Company under this letter or those other responsibilities or duties as reasonably requested from time to time by the Board, after written demand for performance has been given by the Board that identifies how you have not performed your responsibilities or duties and such failure, if susceptible of cure, has not been cured for a period of twenty (20) days after you receive notice from the Board;
- (ii) your engagement in illegal conduct or gross misconduct that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iii) your commission or conviction of, or plea of guilty or *nolo contendere* to, a felony, a crime involving moral turpitude or any other act or omission that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iv) a material breach of your duty of loyalty to the Company or your material breach of the Company’s written code of conduct and business ethics or Sections 4 through 10 and 16 of the Employment and Restrictive Covenants Agreement, or any other material written agreement between you and the Company;
- (v) fraud, gross negligence or repetitive negligence committed without regard to written corrective direction in the course of discharge of your duties as an employee; or
- (vi) excessive and unreasonable absences from your duties for any reason (other than an authorized leave or as a result of your Disability (as defined below)).

“Disability” means your inability to perform the essential functions of your job, with or without accommodation, as a result of any mental or physical disability or incapacity for an extended period of not less than one hundred eighty (180) calendar days, as determined in the sole discretion of the Company.

“Good Reason” means that you voluntarily terminate your employment with the Company if there should occur without your written consent:

- (i) a material, adverse change in your duties or responsibilities with the Company;
- (ii) a change from reporting to the Chief Executive Officer, except that a change to reporting to the Chief Operating Officer, the President or the Board shall not constitute Good Reason;
- (iii) (A) any reduction in your then current Base Salary that is not implemented in conjunction with a general decrease affecting the executive management team or (B) a reduction in your then current Base Salary by more than ten percent (10%) in conjunction with a general decrease affecting the entire executive management team;
- (iv) the material breach by the Company of this letter or any other employment agreement between you and the Company; or
- (v) a relocation of more than fifty (50) miles;

provided, however, that in each case above, you must (a) first provide written notice to the Company of the existence of the Good Reason condition within thirty (30) days of the initial existence of such event, specifying the basis for your belief that you are entitled to terminate your employment for Good Reason, (b) give the Company an opportunity to cure any of the foregoing within thirty (30) days following your delivery to the Company of such written notice, and (c) actually resign your employment within thirty (30) days following the expiration of the Company's thirty (30) day cure period.

All references to the Company in these definitions shall include parent, subsidiary, affiliate and successor entities of the Company

## 2. Miscellaneous.

(a) Except as expressly modified herein, the Original Employment Agreement (including the exhibits and schedules thereto) is unchanged and remains in fully force and effect, and the Original Employment Agreement is hereby ratified and confirmed in all respects, except that on or after the date of this Amendment all references in the Original Employment Agreement to "the Employment Agreement," "hereto," "hereof," "hereunder," or words of like import shall mean the Original Employment Agreement as amended by this Amendment.

(b) This Amendment and any dispute arising out of or relating to this Amendment shall be settled in accordance with the terms of the Original Employment Agreement.

(c) Facsimile transmission of any signed original document and/or retransmission of any signed facsimile transmission will be deemed the same as delivery of an original. This Amendment may be executed in counterparts, each of which when executed shall be deemed to be an original, and all of which shall constitute on and the same agreement.

(d) This Amendment shall be binding upon, and shall inure to the benefit of, the parties to this Amendment and their respective heirs, personal representatives, executors, successors and permitted assigns. The Original Employment Agreement, as amended by this Amendment, embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof.

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IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Amendment as of the date first written above.

INTEGRAL AD SCIENCE, INC.

By: /s/ Lisa Nadler  
Chief HR Officer

EMPLOYEE

By: /s/ Joseph T. Pergola  
Joe Pergola

September 29, 2020

Kshitij Sharma  
New York, NY

Re: Employment with Integral Ad Science, Inc.

Dear Kshitij,

This letter sets forth the terms of your employment by Integral Ad Science, Inc. (the "**Company**"). We value the role that you can serve with the Company.

1. You will be the Chief Product Officer of the Company, reporting to the Chief Executive Officer. In this capacity, you will have the responsibilities and duties consistent with such position.
2. Your starting base salary will be \$400,000 on an annualized basis, less deductions and withholdings required by law or authorized by you, and will be subject to review annually for any increases or decreases (the "**Base Salary**"); provided, however, that any decreases shall not be greater than ten percent (10%) of your then current Base Salary and will only be implemented in conjunction with a general decrease affecting the executive management team. Your Base Salary will be paid by the Company in regular installments in accordance with the Company's general payroll practices as in effect from time to time.
3. With respect to your bonus opportunities for each bonus period beginning on and after January 1, 2020, you will be eligible to receive a discretionary bonus of up to 40% of your Base Salary (the "**Bonus**"). Your 2020 bonus will be paid on a pro rata basis. The Bonus will be awarded at the sole discretion of the Board of Directors of the Company (the "**Board**"), based on the Board's determination as to your achievement of predetermined thresholds which may include, but are not limited to, management by objectives ("**MBOs**") and financial targets such as revenue, recurring revenue, gross profit and/or EBITDA targets. In addition, with respect to each bonus period beginning on or after January 1, 2020, you will also be eligible each calendar year for an additional discretionary bonus of 10% of your Base Salary, awarded at the sole discretion of the Board based on the Board's determination as to your achievement of "stretch" targets (the "**Stretch Bonus**"). You will also be eligible to receive an additional discretionary bonus in the aggregate amount of \$101,000 (the "**Cash Bonus**") on or around February 1, 2021, provided that such Cash Bonus shall be awarded at the sole discretion of the Board based on the Board's determination as to your achievement of certain predetermined thresholds and subject to your continued employment through the applicable payment date.

The bonus formulas, MBOs, performance milestones and all other elements of your bonus opportunities shall be established by the Board in its sole discretion, and communicated in writing (including by e-mail) to you from time to time. Any bonus awarded for a fiscal year shall be paid within thirty (30) days after the Board has received, reviewed and approved the applicable fiscal year's final audited financial statements. In any event, payment of any bonus that is awarded with respect to a fiscal year shall be paid in the calendar year following the fiscal year in which such bonus was awarded, subject, in each case, to your continued employment on the applicable payment date.

4. You will also be eligible to participate in regular health, dental and vision insurance plans and other employee benefit plans established by the Company applicable to executive-level employees from time to time, so long as they remain generally available to the Company's executive-level employees.

5. Your position will be currently based in New York, NY. Your duties may involve extensive domestic and international travel.

6. You will be eligible to receive that number of options to purchase Units (the "**Unit Options**") of Kavacha Topco, LLC ("**Topco**"), which Unit Options shall represent approximately 0.3% of the fully-diluted equity securities of Topco at the time of issuance, subject to the following:

(a) All Unit Options will be subject to the terms (including the vesting and exercisability terms) as set forth in the Kavacha Topco, LLC 2018 Non-Qualified Unit Option Plan (the "**Option Plan**") and a Unit Option Agreement to which you will be a party (the "**Unit Option Agreement**"). The grant of such Unit Options is also subject to Topco's Board of Managers' approval. Our intent to recommend such approval is not a promise of compensation and is not intended to create any obligation on the part of the Company or Topco. Further details on the Unit Options and any specific grant of Unit Options to you will be provided upon approval of such grant by the Board of Topco.

(b) Your Unit Options, if granted, will vest as follows (it being understood that such vesting shall be subject to your continued employment by the Company through the applicable vesting event):

- (i) 66.67% of the Unit Options would be subject to time-based vesting over four (4) years, with 25% vesting upon the date that is twelve (12) months after the Vesting Commencement Date set forth in the Unit Option Agreement and an additional 6.25% of such Unit Options vesting at the end of each full three (3) calendar month period thereafter (the vesting of any such unvested time-based options would be accelerated upon a change of control of Topco, as defined in the Option Plan); and
- (ii) 33.33% of the Unit Options would vest if one or more equity buy-out investment funds managed or controlled by Vista Equity Partners Management, LLC, and any of such funds' respective portfolio companies (collectively, "**Vista**") received cumulative cash distributions or other cash proceeds, contributions and/or net sale proceeds in respect of the equity securities of Topco or its subsidiaries held by

Vista or any loans provided to Topco or its subsidiaries by Vista (“**Vista’s Return**”) such that Vista’s Return equals or exceeds three hundred percent (300%) of Vista’s total investment in Topco and its subsidiaries (whether in exchange for equity, indebtedness or otherwise) (calculated pursuant to the formula set forth in the Unit Option Agreement).

- (iii) Notwithstanding anything in the Option Plan, the Unit Option Agreement or this letter to the contrary, in the event that such sale proceeds include non-cash consideration, the value of such non-cash consideration shall be determined by the Board in its good faith discretion in order to determine if the above vesting thresholds have been met. If such thresholds have been met, you will receive an equal proportion of your proceeds from the sale of any equity securities of the Company in such non-cash consideration.

7. There are some formalities that you need to complete as a condition of your continued employment:

(a) You must carefully consider and sign the Company’s standard “Employment and Restrictive Covenants Agreement” (attached to this letter as **Exhibit A**). Because the Company and its affiliates are engaged in a continuous program of research, development, production and marketing in connection with their business, we wish to reiterate that it is critical for the Company and its affiliates to preserve and protect its proprietary information and its rights in inventions.

(b) So that the Company has proper records of inventions that may belong to you, we ask that you also complete Schedule 1 attached to **Exhibit A**.

(c) You and the Company mutually agree that any disputes that may arise regarding your employment will be submitted to binding arbitration by the American Arbitration Association. As a condition of your employment, you will need to carefully consider and voluntarily agree to the Mandatory Arbitration Agreement set forth in **Exhibit B**.

8. We also wish to remind you that, as a condition of your employment, you are expected to abide by Topco’s, the Company’s, and their direct and indirect subsidiaries’ policies and procedures, which policies and procedures will be made available to you and may be amended from time to time at the Company’s sole discretion, and employees will be notified of any amendments to such policies and procedures.

9. Your employment with the Company is at-will. The Company may terminate your employment at any time with or without notice, and for any reason or no reason. Notwithstanding any provision to the contrary contained in **Exhibit A**, you shall be entitled to terminate your employment with the Company at any time and for any reason

or no reason by giving notice in writing to the Company of not less than four (4) weeks (“**Notice Period**”), unless otherwise agreed to in writing by you and the Company. In the event of such notice, the Company reserves the right, in its discretion, to give immediate effect to your resignation in lieu of requiring or allowing you to continue workthroughout the Notice Period; provided that the Company pays your Base Salary in lieu of the Notice Period. You shall continue to be an employee of the Company during the Notice Period, and thus owe to the Company the same duty of loyalty you owed it prior to giving notice of your termination. The Company may, during the Notice Period, relieve you of all of your duties and prohibit you from entering the Company’s offices.

10. If the Company terminates your employment without “Cause” or you voluntarily terminate your employment for a “Good Reason”, you will be entitled to receive a severance payment (the “**Severance Pay**”) equal to 12 months of your then applicable Base Salary, payable in equal installments over the 12 month period following your termination, and, at the sole discretion of the Board, a pro-rated portion of any Bonus that may have been awarded to you during the fiscal year in which such termination occurs, less deductions and withholdings required by law or authorized by you and subject to (A) your timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“**COBRA**”) and (B) your continued copayment of premiums at the same level and cost to you as if you were an employee of the Company (excluding, for purposes of calculating cost, an employee’s ability to pay premiums with pre-tax dollars), continued participation in the Company’s group health plan (to the extent permitted under applicable law and the terms of such plan) which covers you for a period of zero to three months at the Company’s expense, provided that you are eligible and remain eligible for COBRA coverage; provided, further, that the Company’s obligation to subsidize COBRA premiums is contingent on the Company determining that such subsidies would reasonably be expected to not result in the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that you obtain other employment that offers group health benefits, such continuation of coverage by the Company under this Section 10 shall immediately cease, subject to the following:

(a) For purposes of this section, “**Cause**” and “**Good Reason**” have the meanings set forth in Exhibit C attached hereto.

(b) The Company will not be required to pay the Severance Pay unless (i) you execute and deliver to the Company an agreement (“**Release Agreement**”) in a form satisfactory to the Company releasing from all liability (other than as set forth below) the Company, each member of the Company, and any of their respective past or present officers, directors, managers, employees investors, agents or affiliates, including Vista, and you do not revoke such Release Agreement during any applicable revocation period, (ii) such Release Agreement is executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the date of your termination of employment, and (iii) you have not breached the provisions of Sections 4 through 10 and 16 of Exhibit A, the terms of this letter or any agreement between you and the Company or the provisions

of the Release Agreement. If the Release Agreement is executed and delivered and no longer subject to revocation as provided in the preceding sentence, then the Severance Pay shall be paid in accordance with the Company's general payroll practices at the time of termination, and commencing on the first payroll date occurring after the effective date of the Release Agreement (if permitted by Code Section 409A), or otherwise commencing on the first payroll date occurring after the sixtieth (60<sup>th</sup>) day following your termination of employment. The first payment of Severance Pay shall include payment of all amounts that otherwise would have been due prior thereto under the terms of this letter had such payments commenced immediately upon your termination of employment, and any payments made thereafter shall continue as provided herein. The Release Agreement will not require you to release (A) the payments and benefits contemplated by this letter, (B) any rights to indemnification pursuant to any statute or governing documents of the Company, and (C) any claims which by law cannot be waived in a private agreement between an employer and employee.

11. You shall not make any statement that would libel, slander or disparage the Company, any member of the Company or its affiliates or any of their respective past or present officers, directors, managers, stockholders, employees or agents; provided that the foregoing will not prevent you from making truthful statements: (a) to your legal counsel, or (b) as required by lawfully compelled testimony, and provided that you notify the Company in advance of any such testimony and cooperate with the Company's reasonable efforts with respect to such testimony, unless doing so would violate any lawful order.

12. While we look forward to a long and profitable relationship, you will be an at-will employee of the Company as described in Section 9 of this letter and Section 3 of Exhibit A. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are, and should be regarded by you as, ineffective. Further, your participation in any benefit program or other Company program, if any, is not to be regarded as assuring you of continuing employment for any particular period of time.

13. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation establishing your identity and demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, you may contact our personnel office.

14. It should also be understood that all offers of employment are conditioned on the Company's completion of a satisfactory background check, including a drug screening process. The Company reserves the right to perform background checks during the term of your employment, subject to compliance with applicable laws. You will be required to execute forms authorizing such a background check.

15. This letter along with its Exhibits and the documents referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter of this letter, and supersede all prior understandings and agreements, including but not limited to severance, employment or similar agreements, whether oral or written, between or among you and the Company or its predecessor with respect to the specific subject matter hereof.



16. In the event of a conflict between the terms of this letter and the provisions of Exhibit A, the terms of this letter shall prevail.

17. Notwithstanding any other provision herein, the Company shall be entitled to withhold from any amounts otherwise payable hereunder any amounts required to be withheld in respect to federal, state or local taxes.

18. The intent of the parties is that payments and benefits under this letter be exempt from or comply with Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively "**Code Section 409A**") and, accordingly, to the maximum extent permitted, this letter shall be interpreted to be in compliance therewith. In addition, the following shall apply:

(a) In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on you by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this letter providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this letter, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

(c) Notwithstanding anything to the contrary in this Agreement, if you are deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (i) the expiration of the six (6)-month period measured from the date of such "separation from service", and (ii) the date of your death, to the extent required under Code Section 409A.

(d) For purposes of Code Section 409A, your right to receive any installment payments pursuant to this letter shall be treated as a right to receive a series of separate and distinct payments. To the extent that reimbursements or other in-kind benefits under this letter constitute "nonqualified deferred compensation" for purposes of Code Section 409A, (i) all such expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by you, (ii) any right to such reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(e) Notwithstanding any other provision of this letter to the contrary, in no event shall any payment under this letter that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

19. The effective date of employment under the terms of this offer is November 2, 2020. If you decide to accept the terms of this letter, and I hope you will, please signify your acceptance of these conditions of employment by signing and dating the enclosed copy of this letter and its **Exhibit A** and returning them to me, not later than October 6, 2020.

Should you have anything that you wish to discuss, please do not hesitate to contact me.

By signing this letter and Exhibit A attached hereto, you represent and warrant that you have had the opportunity to seek the advice of independent counsel before signing and have either done so, or have freely chosen not to do so, and either way, you sign this letter voluntarily.

Very truly yours,

/s/ Michael Fosnaugh

Michael Fosnaugh

Authorized Signatory

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I have read and understood this letter and Exhibit A attached and hereby acknowledge, accept and agree to the terms set forth therein.

/s/ Kshitij Sharma

Date signed: 9/30/2020

Signature

Name: Kshitij Sharma

**LIST OF EXHIBITS**

Exhibit A: Employment and Restrictive Covenants Agreement

Exhibit B: Mandatory Arbitration Agreement

Exhibit C: Certain Definitions

**EXHIBIT A**

**(To the Letter dated September 29, 2020)**

**Employment and Restrictive Covenants Agreement**

This Employment and Restrictive Covenants Agreement (the “**Agreement**”) is made effective November 2, 2020 (the “**Effective Date**”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as “**Company**”) and Kshitij Sharma (hereafter referenced as “**Employee**” and together with the Company, each a “**Party**” and collectively, the “**Parties**”).

1. **PURPOSE.** In connection with Employee’s employment by the Company (the “**Employment**”), Employee and the Company wish to set forth the terms and conditions under which Employee will be employed by the Company, and certain restrictions applicable to Employee as a result of the Employment with the Company. This Agreement is intended: to allow the parties to engage in the Employment, with the Company giving Employee access to the Company’s Customers, employees, and Confidential Information (as those terms are defined below); to protect the Company’s business, information, and relationships against unauthorized competition, solicitation, recruitment, use, or disclosure; and to clarify Employee’s legal rights and obligations, to the extent not set forth in the letter to which this Agreement is attached (the “**Letter**”). Capitalized terms used but not defined in this Agreement shall have the meanings indicated in the Letter or any other exhibit to the Letter, as applicable.

2. **THE BUSINESS OF THE COMPANY.** The Company is engaged in the business of data collection and analytics, research and design, development, sales, licensing or marketing, relating to the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing (collectively the “**Business**” of the Company). Employee acknowledges that the Company has a legitimate interest in protecting its Confidential Information, trade secrets, customer relationships, customer goodwill, employee relationships, and the special investment and training given to Employee.

3. **“AT-WILL” EMPLOYMENT AND OTHER ACKNOWLEDGEMENTS.**

(a) Employee shall perform such duties or responsibilities as assigned to Employee from time to time. The Parties acknowledge that Employee’s Employment by the Company at all times is and shall remain “at will,” and may be terminated by either Party at any time, with or without notice and with or without Cause. Employee acknowledges that but for Employee’s execution of this Agreement, Employee would not be employed by the Company.

(b) Employee acknowledges that Employee’s duties shall entail Employee’s contact with the Company’s Customers to whom Employee is introduced, to which Employee is assigned, whose accounts Employee shall oversee, or for which Employee otherwise is directly or indirectly responsible.

(c) Employee further acknowledges that Employee will be given the use of the Company's Confidential Information. Employee acknowledges that the Company's goodwill with its Customers and Prospective Customers, as well as the Company's Confidential Information, are among the most valuable assets of the Company's Business. Accordingly, Employee hereby agrees, acknowledges, covenants, represents and warrants that at all times during Employee's Employment with the Company, Employee will faithfully perform Employee's duties with the utmost loyalty to the Company, and will owe a fiduciary duty and duty of loyalty to the Company. Employee agrees that during the Employment, Employee will do nothing disloyal or adverse to the Company or the Company's Business, or which creates any conflict of interest with the Company or the Business of the Company. Employee will abide by the policies of the Company at all times during Employee's Employment, and acknowledges that the Company may unilaterally change its policies, practices, and procedures at any time, at the sole discretion of the Company.

(d) Employee understands and acknowledges that all equipment, communication devices, physical property, documents, information, data bases, furniture, accessories, premises, and any other items provided to Employee while employed by Company, shall at all times remain the sole property of the Company, and as such, Employee shall have no reasonable expectation of privacy when using such items.

(e) Employee acknowledges that Employee will be afforded an investment of time, training, money, trust, exposure to the public, or exposure to Customers, vendors, suppliers, investors, joint venture partners, or other business relationships of the Company during the course of the Employment, and Employee's position gives Employee a high level of influence or credibility with the Company's Customers, vendors, suppliers, or other business relationships. Employee understands and acknowledges that Employee will possess specialized skills, learning, abilities, Customer contacts, or Customer information by reason of working for the Company.

(f) Employee acknowledges that, through Employee's Employment with the Company, Employee may customarily and regularly solicit Customers and/or Prospective Customers for the Company, and/or engage in making sales or obtaining orders or contracts for products or services.

(g) Employee understands that the Company has specifically instructed him/her to refrain from bringing to the Company any documents or materials or intangibles of a former employer or third party that are not in the public domain, or have not been legally transferred or licensed to the Company, or that might constitute the confidential information or trade secrets of a prior employer. Employee agrees that when performing duties on behalf of the Company, he/she will not breach any invention assignment, proprietary information, confidentiality, noncompetition, nonsolicitation or other similar agreement with any former employer or other party.

4. **DUTY OF LOYALTY.** Employee understands that his/her Employment and provision of services on behalf of the Company requires Employee's undivided attention and effort. Accordingly, during Employee's Employment, Employee agrees that he/she will not, without the Company's express prior written consent, (a) engage in any **other** business activity, unless such activity is for passive investment purposes not otherwise prohibited by this Agreement and will not require Employee to render any services, (b) be engaged or interested, directly or indirectly, alone or with others, in any trade, business or occupation in competition with the Company, (c) take steps, alone or with others, to engage in competition with the Company in the future, or (d) appropriate for Employee's own benefit business opportunities pertaining to the Company's Business.

5. **INVENTIONS.**

(a) **Prior Inventions.** Attached hereto as Schedule 1 is a complete and accurate list describing all Inventions (as defined below) which were conceived, discovered, created, invented, developed and/or reduced to practice by Employee prior to the commencement of his/her Employment that have not been legally assigned or licensed to the Company (collectively: "**Prior Inventions**"). If there are no such Prior Inventions, Employee shall initial Schedule 1 to indicate Employee has no Prior Inventions to disclose.

Employee acknowledges and agrees that if in the course of Employee's Employment, Employee incorporates or causes to be incorporated into a Company product, service, process, file, system, application or program a Prior Invention, Employee will grant the Company a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, offer to sell, sell or otherwise distribute such Prior Invention as part of or in connection with such product, process, file, system, application or program.

(b) **Disclosure and Assignment of Inventions.** Employee agrees to promptly disclose to the Company in writing all Inventions (as defined below) that Employee conceives, develops and/or first reduces to practice or creates, either alone or jointly with others, during the period of Employee's Employment with the Company, and for a period of three (3) months thereafter, whether or not in the course of Employee's Employment. Employee further assigns and agrees to assign all of Employee's rights, title and interest in the Inventions to the Company. Employee understands that this Section 5(b) does not apply to Inventions that the Employee developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets, except for those Inventions that either: (i) relate at the time of conception or use to the Company's business, or actual or demonstrably anticipated research or development; or (ii) result from any work the employee performs for the Company.

(c) In the event that the Company is unable for any reason to secure Employee's signature to any document required to file, prosecute, register or memorialize the ownership and/or assignment of any Invention, Employee hereby irrevocably designates and appoints the Company's duly authorized officers and agents as Employee's agents and attorneys-in-fact to act for and on Employee's behalf and stead to (i) execute, file, prosecute, register and/or memorialize the assignment and/or ownership of any Invention; (ii) to execute and file any documentation required for such enforcement and (iii) do all other lawfully permitted acts to further the filing, prosecution, registration, memorialization of assignment and/or ownership of, issuance of and enforcement of any Inventions, all with the same legal force and effect as if executed by Employee.

(d) **Use of Inventions.** Employee acknowledges that he/she is not entitled to use the Inventions for Employee's own benefit or the benefit of anyone except the Company without written permission from the Company, and then only subject to the terms of such permission. Employee further agrees that Employee will communicate to the Company, as directed by the Company, any facts known to Employee and testify in any legal proceedings, sign all lawful papers, make all rightful oaths, execute all divisionals, continuations, continuations-in-part, foreign counterparts, or reissue applications, all assignments, all registration applications and all other instruments or papers to carry into full force and effect, the assignment, transfer and conveyance hereby made or to be made and generally do everything possible for title to the Inventions to be clearly and exclusively held by the Company as directed by the Company.

(e) For purposes of this Agreement, "**Inventions**" means, without limitation, any and all formulas, algorithms, processes, techniques, concepts, designs, developments, technology, ideas, patentable and unpatentable inventions and discoveries, copyrights and works of authorship in any media now known or hereafter invented (including computer programs, source code, object code, hardware, firmware, software, mask work, applications, files, internet site content, databases and compilations, documentation and related items) patents, trade and service marks, logos, trade dress, corporate names and other source indicators and the good will of any business symbolized thereby, trade secrets, know-how, confidential and proprietary information, documents, analyses, research and lists (including current and potential customer and user lists) and all applications and registrations and recordings, improvements and licenses that (i) relate in any manner, whether at the time of conception, design or reduction to practice, to the Company's Business or its actual or demonstrably anticipated research or development; (ii) result from any work performed by Employee on behalf of the Company; or (iii) result from the use of the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets.

Employee recognizes that Inventions or proprietary information relating to Employee's activities while working for the Company, and conceived, reduced to practice, created, derived, developed, or made by Employee, alone or with others, within three (3) months after termination of Employee's Employment may have been conceived, reduced to practice, created, derived, developed, or made, as applicable, in significant part while Employee was employed by the Company. Accordingly, Employee agrees that such Inventions and proprietary information shall be presumed to have been conceived, reduced to practice, created, derived, developed, or made, as applicable, during Employee's Employment with the Company and are to be assigned to the Company pursuant to this Agreement and applicable law unless Employee has established the contrary by clear and convincing evidence.

(f) **Work for Hire.** Employee acknowledges and agrees that any copyrightable works prepared by Employee within the scope of Employee's Employment are "works made for hire" under the Copyright Act of 1976 and that the Company will be considered the author and owner of such copyrightable works. Any copyrightable works the Company specially commissions from Employee while Employee is employed also shall be deemed a work made for hire under the Copyright Act, and if for any reason such work cannot be so designated as a work made for hire, Employee agrees to and hereby assigns to the Company, as directed by the Company, all right, title and interest in and to said work(s). Employee further agrees to and hereby grants the Company, as directed by the Company, a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, publicly perform, display or otherwise distribute any copyrightable works Employee creates during Employee's Employment. Employee understands that this Section 5(f) does not apply to Inventions that the Employee developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets, except for those Inventions that either: (i) relate at the time of conception or use to the Company's business, or actual or demonstrably anticipated research or development; or (ii) result from any work the employee performs for the Company.

(g) **Assignment of Other Rights.** In addition to the foregoing assignment of Inventions to the Company, Employee hereby irrevocably transfers and assigns to the Company: (i) all worldwide patents, patent applications, copyrights, mask works, trade secrets and other intellectual property rights in any Inventions; and (ii) any and all "Moral Rights" (as defined below) that Employee may have in or with respect to any Inventions. Employee also hereby forever waives and agrees never to assert any and all Moral Rights Employee may have in or with respect to any Inventions, even after termination of Employee's Employment on behalf of the Company. "**Moral Rights**" means any rights to claim authorship of any Inventions, to object to or prevent the modification of any Inventions, or to withdraw from circulation or control the publication or distribution of any Inventions, and any similar right, existing under applicable judicial or statutory law of any country in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a "moral right."

(h) **Applicability to Past Activities.** To the extent Employee has been engaged to provide services by the Company or its predecessor for a period of time before the effective date of this Agreement (the "**Prior Engagement Period**"), Employee agrees that if and to the extent that, during the Prior Engagement Period: (i) Employee received access to any information from or on behalf of the Company that would have been proprietary information if Employee had received access to such information during the period of Employee's Employment with the Company under this Agreement; or (ii) Employee conceived, created, authored, invented, developed or reduced to practice any item, including any intellectual property rights with respect thereto, that would have been an Invention if conceived, created, authored, invented, developed or reduced to practice during the period of Employee's Employment with the Company under this Agreement, then any such information shall be deemed proprietary information hereunder and any such item shall be deemed an Invention hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.



## **6. NONDISCLOSURE AGREEMENT.**

(a) Employee expressly agrees that, throughout the term of Employee's Employment with the Company and at all times following the termination of Employee's Employment from the Company, for so long as the information remains confidential, Employee will not use or disclose any Confidential Information disclosed to Employee by the Company, other than for the purpose to carry out the Employment for the benefit of the Company (but in all cases preserving confidentiality by following the Company's policies and obtaining appropriate non-disclosure agreements). Employee shall not, directly or indirectly, use or disclose any Confidential Information to third parties, nor permit the use by or disclosure of Confidential Information by third parties. Employee agrees to take all reasonable measures to protect the secrecy of and avoid disclosure or use of Confidential Information in order to prevent it from falling into the public domain or into the possession of any Competing Business or any persons other than those persons authorized under this Agreement to have such information for the benefit of the Company. Employee agrees to notify the Company in writing of any actual or suspected misuse, misappropriation, or unauthorized disclosure of Confidential Information that may come to Employee's attention. Employee acknowledges that if Employee discloses or uses knowledge of the Company's Confidential Information to gain an advantage for Employee, for any Competing Business, or for any other person or entity other than the Company, such an advantage so obtained would be unfair and detrimental to the Company.

(b) Employee expressly agrees that Employee's duty of non-use and non-disclosure shall continue indefinitely for any information of the Company that constitutes a Trade Secret under applicable law, so long as such information remains a Trade Secret.

**(c) Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.**

**(d) Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the Parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.**

7. **RETURN OF COMPANY PROPERTY AND MATERIALS.** Any Confidential Information, trade secrets, materials, equipment, information, documents, electronic data, or other items that have been furnished by the Company to Employee in connection with the Employment are the exclusive property of the Company and shall be promptly returned to the Company by Employee, accompanied by all copies of such documentation, immediately when the Employment has been terminated or concluded, or otherwise upon the written request of the Company. Employee shall not retain any copies of any Company information or other property after the Employment ends, and shall cooperate with the Company to ensure that all copies, both written and electronic, are immediately returned to the Company or permanently deleted, if in electronic form. Employee shall cooperate with Company representatives and allow such representatives to oversee the process of erasing and/or permanently removing any such Confidential Information or other property of the Company from any computer, personal digital assistant, phone, or other electronic device, or any cloud-based storage account or other electronic medium owned or controlled by Employee.

8. **LIMITED NONCOMPETE AGREEMENT.** Employee expressly agrees that Employee will not (either directly or indirectly, by assisting or acting in concert with others) Compete with the Company during the Restricted Period within the Restricted Territory. Notwithstanding the foregoing, nothing herein shall prohibit Employee from:

(a) being a passive owner:

(i) of not more than one percent (1%) of the outstanding stock of any class of securities of a publicly-traded corporation engaged in Competitive Services,

(ii) of not more than five percent (5%) of the outstanding limited partnership interests or similar securities of any unaffiliated, third-party professional investment fund or investment vehicle, which shall not be deemed to be engaging in a Competitive Business solely by reason the business of any of its portfolio companies, so long as, in each instance, Employee has no other participation whatsoever in such investment fund or investment vehicle or their respective portfolio companies; or

**(b) accepting employment or other engagement with any person or entity that has several divisions, only certain of which provide Competitive Services, if Employee's employment or engagement is with a division that does not provide Competitive Services, and Employee (i) informs such employing or engaging person or entity of the restrictions and obligations set forth herein, (ii) does not perform any services relating to the Competitive Services during the Restricted Period, and (iii) otherwise complies with the terms of this Agreement.**

9. **NONSOLICITATION OF CUSTOMERS / PROSPECTIVE CUSTOMERS.** Employee expressly agrees that during the Restricted Period, Employee will not (either directly or indirectly, by assisting or acting in concert with others), on behalf of himself/herself or any other person, business, entity, including but not limited to on behalf of a Competing Business, call upon, solicit, or attempt to call upon or solicit any business from any Customer or Prospective Customer for the purpose of providing services substantially similar to the Services.

10. **NONRECRUITMENT OF EMPLOYEES.** Employee expressly agrees that during the Restricted Period, Employee will not, on behalf of himself/herself or any other person, business, or entity (either directly or indirectly, by assisting or acting in concert with others), solicit, recruit or hire, or attempt to solicit, recruit or hire, any of the Company's employees, or encourage any of the Company's employees to leave employment with the Company to work for a Competing Business. For purposes of this Section 10, "Company employee" means any then current employee of the Company or any individual who was an employee of the Company in the twelve (12) month period preceding the solicitation, recruitment or hiring (or attempt thereof) by Employee.

11. **REASONABLENESS OF RESTRICTIONS.** Employee agrees that the obligations set forth in this Agreement are necessary and reasonable in order to protect the Company's legitimate business interests and (without limiting the foregoing) that the obligations set forth in Sections 8, 9 and 10 are necessary and reasonable in order to protect the Company's legitimate business interests in protecting its Confidential Information, Trade Secrets, customer and employee relationships and the goodwill associated therewith.

12. **REMEDIES; INJUNCTIVE RELIEF; TOLLING.**

(a) Employee expressly agrees that due to the unique nature of the Company's Confidential Information, and its relationships with its Customers and other employees, monetary damages would be inadequate to compensate the Company for any breach by Employee of the covenants and agreements set forth in this Agreement. Accordingly, Employee agrees and acknowledges that any such violation or threatened violation shall cause irreparable injury to the Company and that, in addition to any other remedies that may be available in law, in equity, or otherwise, the Company shall be entitled: (i) to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach by Employee, without the necessity of proving actual damages; and (ii) to be indemnified by Employee from any loss or harm; and (iii) to recover any reasonable costs or attorneys' fees, arising out of or in connection with any breach by Employee or enforcement action relating to Employee's obligations under this Agreement; provided that in any such action in which the Company does not prevail, Employee shall be entitled to recover his/her reasonable costs or attorneys' fees, arising out of or in connection therewith.

(b) Notwithstanding the arbitration provisions contained herein or in the Letter, or anything else to the contrary in this Agreement, Employee understands that the violation of any restrictive covenants of this Agreement may result in irreparable and continuing damage to the Company for which monetary damages will not be sufficient, and agrees that Company will be entitled to seek, in addition to its other rights and remedies hereunder or at law, and both before or while an arbitration is pending between the parties under this Agreement, a temporary restraining order, preliminary injunction or similar injunctive relief from a court of competent jurisdiction in order to preserve the status quo

or prevent irreparable injury pending the full and final resolution of the dispute through arbitration, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned injunctive relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief through arbitration proceedings. This Section shall not be construed to limit the obligation for either party to pursue arbitration.

(c) The Restricted Period as defined in this Agreement shall be extended by the length of any actual breach or violation of the restrictive covenants of this Agreement.

13. **DEFINITIONS.** For all purposes throughout this Agreement, the terms defined below shall have the respective meanings specified in this Section.

(a) **“Customer”** of the Company shall mean any business or entity with which Employee had Material Contact, for the purpose of providing Services, during the twelve (12) months preceding Employee’s termination date.

(b) **“Compete”** shall mean to provide Competitive Services, whether Employee is acting on behalf of himself/herself, or in conjunction with or in concert with any other entity, person, or business, including activities performed while working for or on behalf of a Customer.

(c) **“Competitive Services”** shall mean the business of data collection and analytics, research and design, development, sales, licensing or marketing, relating to the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing, conducted, authorized, or offered by the Company or any predecessor within the two (2) years prior to the termination of Employee’s Employment.

(d) **“Competing Business”** shall mean any entity, including but not limited to any person, company, partnership, corporation, limited liability company, association, organization or other entity, that provides Competitive Services.

(e) **“Confidential Information”** shall mean sensitive business information having actual or potential value to the Company because it is not generally known to the general public or ascertainable by a Competing Business, and which has been disclosed to Employee, or of which Employee will become aware, as a consequence of the Employment with the Company, including any information related to: the Company’s investment strategies, management planning information, business plans, operational methods, market studies, marketing plans or strategies, patent information, business acquisition plans, past, current and planned research and development, formulas, methods, patterns, processes, procedures, instructions, designs, inventions, operations, engineering, services, drawings, equipment, devices, technology, software systems, price lists, sales reports and records, sales books and manuals, code books, financial information and projections, personnel data, names of customers, customer lists and contact information, customer pricing and purchasing information, lists of targeted prospective customers, supplier lists, product/service and marketing data and programs, product/service plans, product development, advertising campaigns, new product designs or roll out, agreements with third parties, or any such similar information.

Confidential Information shall also include any information disclosed to the Company by a third party (including, but not limited to, current or prospective Customers) that the Company is obliged to treat as confidential.

Confidential Information may be in written or non-written form, as well as information held on electronic media or networks, magnetic storage, cloud storage service, or other similar media. The Company has invested and will continue to invest extensive time, resources, talent, and effort to develop its Confidential Information, all of which generates goodwill for the Company. Employee acknowledges that the Company has taken reasonable and adequate steps to control access to the Confidential Information and to prevent unauthorized disclosure, which could cause injury to the Company. This definition shall not limit any broader definition of "confidential information" or any equivalent term under applicable state or federal law.

(f) **"Material Contact"** shall mean actual contact between Employee and a Customer with whom Employee dealt on behalf of the Company; or whose dealings with the Company were coordinated or supervised by Employee; or who received goods or services from the Company that resulted in payment of commissions or other compensation to Employee; or about whom Employee obtained Confidential Information because of Employee's Employment with the Company.

(g) **"Prospective Customer"** shall mean any business or entity with whom Employee had Material Contact, for the purpose of attempting to sell or provide Services, and to whom Employee provided a bid, quote for Services, or other Confidential Information of the Company, during the twelve (12) months preceding Employee's termination date.

(h) **"Restricted Period"** shall mean the entire term of Employee's Employment with the Company and a one (1) year period immediately following the termination of Employee's Employment, unless otherwise delineated or described in the "end notes and exceptions" at the end of this Agreement.

(i) **"Restricted Territory"** shall mean the geographic area in which or with respect to which Employee provided or attempted to provide any Services or performed operations on behalf of the Company as of the date of termination or during the twelve (12) months preceding Employee's termination date.

(j) **"Trade Secrets"** shall mean the business information of the Company that is competitively sensitive and which qualifies for trade secrets protection under applicable trade secrets laws, including but not limited to the Defend Trade Secrets Act. This definition shall not limit any broader definition of "trade secret" or any equivalent term under any applicable local, state or federal law.

(k) “**Services**” shall mean the types of work product, processes and work-related activities relating to the Business of the Company performed by Employee during the Employment.

14. **RESERVED.**

15. **NOTICE OF VOLUNTARY TERMINATION OF EMPLOYMENT.** Unless otherwise stated in the Letter, Employee agrees to use reasonable efforts to provide the Company fourteen (14) days written notice of Employee’s intent to terminate Employee’s Employment; provided, however, that this provision shall not change the at-will nature of the employment relationship between Employee and the Company. It shall be within the Company’s sole discretion to determine whether Employee should continue to perform services on behalf of the Company during this notice period.

16. **NON-DISPARAGEMENT.** During and after Employee’s Employment with the Company, except for truthful statements compelled or required by law, Employee agrees he/she shall not disparage the Company, its Customers and suppliers or their respective officers, directors, agents, employees, attorneys, shareholders, successors or assigns or their respective products or services, in any manner (including but not limited to, verbally or via hard copy, websites, blogs, social media forums or any other medium); provided, however, that nothing in this Section 16 shall prevent Employee from: engaging in concerted activity relative to the terms and conditions of Employee’s Employment and in communications protected under the National Labor Relations Act, filing a charge or providing information to any governmental agency, or from providing information in response to a subpoena or other enforceable legal process or as otherwise required by law.

17. **NOTIFICATION OF NEW EMPLOYER.** Before Employee accepts employment or enters into any consulting, independent contractor, or other professional or business engagement with any other person or entity while any of the provisions of Sections 8, 9 or 10 of this Agreement are in effect, Employee will provide such person or entity with written notice of the provisions of Sections 8, 9 and/or 10 and will deliver a copy of that notice to the Company. While any of Sections 8, 9 and/or 10 of this Agreement are in effect, Employee agrees that, upon the request of the Company, Employee will furnish the Company with the name and address of any new employer or entity for whom Employee will provide contractor or consulting services, as well as the capacity in which Employee will be employed or otherwise engaged. Employee hereby consents to the Company’s notifying Employee’s new employer about Employee’s responsibilities, restrictions and obligations under this Agreement.

18. **WITHHOLDING.** To the extent allowed by applicable law, Employee agrees to allow the Company to deduct from the final paycheck(s) any amounts due as a result of the Employment, including, but not limited to, any expense advances or business charges incurred on behalf of the Company, charges for property damaged or not returned when requested, and any other charges incurred that are payable to the Company. Employee agrees to execute any authorization form as may be provided by Company to effectuate this provision.

19. **NO INTELLECTUAL PROPERTY RIGHTS GRANTED.** Nothing in this Agreement shall be construed as granting to Employee any rights under any patent, copyright, or other intellectual property right of the Company, nor shall this Agreement grant Employee any rights in or to Confidential Information of the Company other than the limited right to review and use such Confidential Information solely for the purpose of participating in the Employment for the benefit of the Company.

20. **SUCCESSORS AND ASSIGNS.** This Agreement will be binding upon Employee's heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, its assigns and licensees. This Agreement, and Employee's rights and obligations hereunder, may not be assigned by Employee; however, the Company may assign its rights hereunder without Employee's consent, in connection with any sale, transfer or other disposition of any or all of its business or assets.

21. **SEVERABILITY AND REFORMATION.** Employee and the Company agree that if any particular sections, paragraphs, subparagraphs, phrases, words, or other portions of this Agreement are determined by an appropriate court, arbitrator, or other tribunal to be invalid or unenforceable as written, they shall be modified as necessary to comport with the reasonable intent and expectations of the Parties and in favor of providing maximum reasonable protection to the Company's legitimate business interests. Such modification shall not affect the remaining provisions of this Agreement. If such provisions cannot be modified to be made valid or enforceable, then they shall be severed from this Agreement, and all remaining terms and provisions shall remain enforceable. Sections 8, 9 and 10 and each restrictive covenant within them are intended to be divisible and to be interpreted and applied separately and independently.

22. **ENTIRE AGREEMENT; AMENDMENT.** This Agreement, together with each agreement specifically referred to herein as having a continuing effect (including the Letter and any other exhibit to the Letter) contains the entire agreement between the Parties relating to the subject matters contained herein. No term of this Agreement may be amended or modified unless made in writing and executed by both Employee and an authorized agent of the Company. This Agreement replaces and supersedes all prior representations, understandings, or agreements, written or oral, between Employee and the Company with regard to restrictive covenants, post-employment restrictions, and mandatory arbitration.

23. **WAIVER.** Failure to fully enforce any provision of this Agreement by either Party shall not constitute a waiver of any term hereof by such Party; no waiver shall be recognized unless expressly made in writing, and executed by the Party that allegedly made such waiver.

24. **CONSTRUCTION.** The Parties agree that this Agreement has been reviewed by each Party, each Party had an opportunity to make suggestions about the provisions of the Agreement, and each Party had sufficient opportunity to obtain the advice of legal counsel on matters of contract interpretation, if desired. The Parties agree that this Agreement shall not be construed or interpreted more harshly against one Party merely because one Party was the original drafter of the Agreement.

25. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same legally recognized instrument.

26. **THIRD-PARTY BENEFICIARIES.** Employee specifically acknowledges and agrees that the direct and indirect subsidiaries, parents, owners, and affiliated companies of the Company are intended to be beneficiaries of this Agreement and shall have every right to enforce the terms and provisions of this Agreement in accordance with the provisions of this Agreement.

27. **NOTICES.** Notices regarding this Agreement shall be sent via email or to the mailing addresses of the Parties as set forth in the signature block to this Agreement.

28. **GOVERNING LAW AND FORUM SELECTION.** This Agreement shall be governed by and construed in accordance with the Federal Arbitration Act. Any non-arbitration-related issues shall be resolved under the substantive laws and in the jurisdiction of the state where Employee most recently worked for the Company.

29. **ENDNOTES AND EXCEPTIONS.** Certain of the foregoing provisions of this Agreement are hereby modified in certain states as described in the following Sections and Subsections:

(a) **Section 6:** the “**Nondisclosure Agreement**” shall apply not for the entire time period following Employee’s Employment, but rather shall apply only during the Restricted Period in the following states: Arizona, Florida, Illinois, Indiana, New Jersey, Virginia and Wisconsin. Additionally, to the extent Section 6.a applies in Wisconsin to Confidential Information that does not constitute a trade secret under applicable law, it shall apply only in geographic areas where the unauthorized disclosure or use of Confidential Information would be competitively damaging to the Company.

(b) **Section 9:** the “**Nonsolicitation of Customers/Prospective Customers**” provision shall apply not to any Prospective Customer, but rather shall apply only to any Customer, in the following states: Wisconsin. Additionally, in Wisconsin, Section 9 shall not apply to “attempts.”

(c) **Section 10:** “**Nonrecruitment of Employees**” shall not apply in Wisconsin. The Restricted Period for the nonrecruitment of Company employees in Section 10 shall be eighteen (18) months in the following states: Alabama.

(d) **Section 12:** The final sentence of Section 12 shall not apply in the following states: Arkansas, Louisiana, and Wisconsin.



(e) **Section 13(e): “Confidential Information”** The definition of Confidential Information shall include only information that has actual value to the Company in the following state: Wisconsin.

[Remainder of page intentionally left blank.  
Signatures on following page.]

Page A-14 of 15

The Parties have executed this Employment and Restrictive Covenants Agreement, which is effective as of the Effective Date written above.

**For Employee:**

Signature:

/s/ Kshitij Sharma

Printed Name:

Kshitij Sharma

Address:

\*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 9/30/2020

**For Company:**

Signature:

/s/ Michael Fosnaugh

Printed Name:

Michael Fosnaugh

Address:

180 N. Stetson Ave., Suite 4000

Chicago, IL 60601

Title: Authorized Signatory

Date: 10/30/2020

**Schedule 1**

**(List of Employee's Prior Inventions)**

By initialing here, I represent and warrant that I have no Prior Inventions, as that term is defined in the Agreement to which this Schedule 1 is attached.

OR

Below is a complete and accurate list of Prior Inventions, as that term is defined in the Agreement to which this Schedule 1 is attached.

**For Employee:**

Signature:     /s/ Kshitij Sharma    

Printed Name: Kshitij Sharma

Address:           \*\*\*\*\*

                  \*\*\*\*\*

Email: \*\*\*\*\*

Date: 9/30/2020

**EXHIBIT B**

(To the Letter dated September 29, 2020)

**MANDATORY ARBITRATION AGREEMENT**

This Mandatory Arbitration Agreement (the “**Arbitration Agreement**”) is made effective November 2, 2020 (the “**Effective Date**”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as “**Company**”) and Kshitij Sharma (hereafter referenced as “**Employee**” and together with the Company, each a “**Party**” and collectively, the “**Parties**”).

A Party may bring an action in court to obtain a temporary restraining order, injunction, or other equitable relief available in response to any violation or threatened violation of the restrictive covenants set forth in this Agreement. Otherwise, Employee expressly agrees and acknowledges that the Company and Employee will utilize binding arbitration to resolve all disputes that may arise out of the Employment, which shall include the following:

1. Both the Company and Employee hereby agree that any claim, dispute, and/or controversy between Employee and the Company (or its owners, directors, officers, managers, employees, agents, insurers and parties affiliated with its employee benefit and health plans), arising from, related to, or having any relationship or connection whatsoever to the Employment, shall be submitted to and determined exclusively by binding arbitration before the American Arbitration Association (“**AAA**”) under the Federal Arbitration Act (9 U.S.C. §§ 1, *et seq.*), in conformity with the Federal Rules of Civil Procedure and pursuant to the AAA’s Employment Rules. Included within the scope of this Agreement are all disputes including, but not limited to, any claims alleging employment discrimination, harassment, hostile environment, retaliation, whistleblower protection, wrongful discharge, constructive discharge, failure to grant leave, failure to reinstate, failure to accommodate, tortious conduct, breach of contract, and/or any other claims Employee may have against the Company for any exemption misclassification, unpaid wages or overtime pay, benefits, payments, bonuses, commissions, vacation pay, leave pay, workforce reduction payments, costs or expenses, emotional distress, pain and suffering, or other alleged damages arising out of the Employment or termination. Also included are any claims based on or arising under Title VII of the Civil Rights Act of 1964, 42 USC Section 1981, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Fair Labor Standards Act, Sarbanes-Oxley, all as amended, or any other state or federal law or regulation, equitable law, or otherwise relating in any way to the employment relationship.

2. The arbitration proceeding shall be conducted in the State of New York, New York County,

3. Nothing herein, however, shall prevent Employee from filing and pursuing proceedings before the United States Equal Employment Opportunity Commission or similar state agency (although if Employee chooses to pursue any type of claim for relief following the exhaustion of such administrative remedies, such claim would be subject to resolution under these mandatory arbitration provisions). In addition, nothing herein shall prevent Employee from filing an administrative claim for unemployment benefits or workers' compensation benefits.

4. Nothing in the confidentiality or nondisclosure or other provisions of this Agreement shall be construed to limit Employee's right to respond accurately and fully to any question, inquiry or request for information when required by legal process or from initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority, regarding the Company, Employee's Employment, or this Agreement. Employee is not required to contact the Company regarding the subject matter of any such communications before engaging in such communications. Employee also understands that Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Employee also understands that disclosure of trade secrets to attorneys, in legal proceedings if disclosed under seal, or pursuant to court order is also protected under 18 U.S. Code §1833 when disclosure is made in connection with a retaliation lawsuit based on the reporting of a suspected violation of law.

5. In addition to any other requirements imposed by law, the arbitrator selected shall be a qualified individual mutually selected by the Parties, and shall be subject to disqualification on the same grounds as would apply to a judge. All rules of pleading, all rules of evidence, all statutes of limitations, all rights to resolution of the dispute by means of motions for summary judgment, and judgment on the pleadings shall apply and be observed. Resolution of the dispute shall be based solely upon the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis (including but not limited to, notions of "just cause") other than such controlling law. Likewise, all communications during or in connection with the arbitration proceedings are privileged. The arbitrator shall have the authority to award appropriate substantive relief under relevant laws, including the damages, costs and attorneys' fees that would be available under such laws.

6. Employee's initial share of the arbitration fee shall be in an amount equal to the filing fee as would be applicable in a court proceeding, or \$100, whichever is less. Beyond the arbitration filing fee, the non-prevailing party as determined by the arbitrator will bear all other fees, expenses and charges of the arbitrator.

7. Employee understands and agrees that all claims against the Company must be brought in Employee's individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. Employee understands that there is no right or authority for any dispute to be heard or arbitrated on a collective action basis, class action basis, as a private attorney general, or on bases involving claims or disputes brought in a representative capacity on behalf of the general public, on behalf of other Company employees (or any of them) or on behalf of other persons alleged to be similarly situated.

Employee understands that there are no bench or jury trials and no class actions or representative actions permitted under this Agreement. The arbitrator shall not consolidate claims of different employees into one proceeding, nor shall the arbitrator have the power to hear an arbitration as a class action, collective action, or representative action. The interpretation of this subsection shall be decided by a judge, not the arbitrator.

8. Employee and Company agree to the following procedures:

(a) Prior to the service of an Arbitration Demand, the parties shall negotiate in good faith for a period of thirty (30) days in an effort to resolve any arbitrable dispute privately, amicably and confidentially. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by either Party or their representatives will be confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in negotiations pursuant to this Section 8.

(b) If negotiations fail, to commence an arbitration pursuant to this Agreement, a Party shall serve a written arbitration demand (the "**Demand**") on the other Party by hand delivery or via overnight delivery service (in a manner that provides proof of receipt by the respondent). The Demand shall be served before expiration of the applicable statute of limitations. The Demand shall describe the arbitrable dispute in sufficient detail to advise the respondent of the nature and basis of the dispute, state the date on which the dispute first arose, list the names and addresses of every person whom the claimant believes does or may have information relating to the dispute, including a short description of the matter(s) about which each person is believed to have knowledge, and state with particularity the relief requested by the claimant, including a specific monetary amount, if the claimant seeks a monetary award of any kind.

(c) If respondent does not provide a written Response to the Demand, all allegations will be considered denied.

(d) The Parties shall confer in good faith to attempt to agree upon a suitable arbitrator, and if unable to do so, they will select an arbitrator from the AAA's employment arbitration panel for the area.

(e) Any award or portion thereof, whether preliminary or final, will be based on and accompanied by a written opinion signed by the arbitrator and will contain findings of fact, conclusions of law and the reasons upon which the award or portion thereof is based.

9. Employee understands, agrees, and consents to this binding arbitration provision, and Employee and the Company hereby each expressly waive the right to trial by jury of any claims arising out of Employment with the Company.

**10. By initialing below, Employee acknowledges that Employee has read, understands, agrees and consents to this binding Arbitration Agreement, including the class action waiver. Employee's Initials:**

The Parties have executed this Arbitration Agreement, which is effective as of the Effective Date written above.

**For Employee:**

Signature:

/s/ Kshitij Sharma

Printed Name:

Kshitij Sharma

Address:

\*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 9/30/2020

**For Company:**

Signature:

/s/ Michael Fosnaugh

Printed Name:

Michael Fosnaugh

Address:

180 N. Stetson Ave., Suite 4000

Chicago, IL 60601

Title: Authorized Signatory

Date: 10/30/2020

**EXHIBIT C**

(To the Letter dated September 29, 2020)

**Certain Definitions**

**“Cause”** means any of the following:

- (i) a material failure by you to perform your responsibilities or duties to the Company under this letter or those other responsibilities or duties as reasonably requested from time to time by the Board, after written demand for performance has been given by the Board that identifies how you have not performed your responsibilities or duties and such failure, if susceptible of cure, has not been cured for a period of twenty (20) days after you receive notice from the Board;
- (ii) your engagement in illegal conduct or gross misconduct that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iii) your commission or conviction of, or plea of guilty or *nolo contendere* to, a felony, a crime involving moral turpitude or any other act or omission that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iv) a material breach of your duty of loyalty to the Company or your material breach of the Company’s written code of conduct and business ethics or Sections 4 through 10 and 16 of the Employment and Restrictive Covenants Agreement, or any other material written agreement between you and the Company;
- (v) fraud, gross negligence or repetitive negligence committed without regard to written corrective direction in the course of discharge of your duties as an employee; or
- (vi) excessive and unreasonable absences from your duties for any reason (other than an authorized leave or as a result of your Disability (as defined below)).

**“Disability”** means your inability to perform the essential functions of your job, with or without accommodation, as a result of any mental or physical disability or incapacity for an extended period of not less than one hundred eighty (180) calendar days, as determined in the sole discretion of the Company.

**“Good Reason”** means that you voluntarily terminate your employment with the Company if there should occur without your written consent:

- (i) a material, adverse change in your duties or responsibilities with the Company;



- (ii) a change from reporting to the Chief Executive Officer, except that a change to reporting to the Chief Operating Officer, the President or the Board shall not constitute Good Reason;
- (iii) (A) any reduction in your then current Base Salary that is not implemented in conjunction with a general decrease affecting the executive management team or (B) a reduction in your then current Base Salary by more than ten percent (10%) in conjunction with a general decrease affecting the entire executive management team;
- (iv) the material breach by the Company of this letter or any other employment agreement between you and the Company; or
- (v) a relocation of more than fifty (50) miles;

provided, however, that in each case above, you must (a) first provide written notice to the Company of the existence of the Good Reason condition within thirty (30) days of the initial existence of such event, specifying the basis for your belief that you are entitled to terminate your employment for Good Reason, (b) give the Company an opportunity to cure any of the foregoing within thirty (30) days following your delivery to the Company of such written notice, and (c) actually resign your employment within thirty (30) days following the expiration of the Company's thirty (30) day cure period.

All references to the Company in these definitions shall include parent, subsidiary, affiliate and successor entities of the Company.

February 14, 2019

Oleg Bershadsky  
c/o Integral Ad Science, Inc.  
95 Morton St, FL 8  
New York, NY 10014

Re: Employment with Integral Ad Science, Inc.

Dear Oleg:

This letter sets forth the terms of your employment by Integral Ad Science, Inc. (the "**Company**"). We value the role that you can serve with the Company.

1. You will be the Senior Vice President, Sales Strategy and Business Operations of the Company, reporting to the Chief Executive Officer of the Company. In this capacity, you will have the responsibilities and duties consistent with such position.
2. Your starting base salary will be \$325,000.00 on an annualized basis, less deductions and withholdings required by law or authorized by you, and will be subject to review annually for any increases or decreases (the "**Base Salary**"); provided, however, that any decreases shall not be greater than ten percent (10%) of your then current Base Salary and will only be implemented in conjunction with a general decrease affecting the executive management team. Your Base Salary will be paid by the Company in regular installments in accordance with the Company's general payroll practices as in effect from time to time.
3. With respect to your bonus opportunities for each bonus period beginning on and after January 1, 2019, you will be eligible to receive a discretionary bonus of up to 30% of your Base Salary (the "**Bonus**"). Your 2019 bonus will be paid on a pro rata basis. The Bonus will be awarded at the sole discretion of the Board of Directors of the Company (the "**Board**"), based on the Board's determination as to your achievement of predetermined thresholds which may include, but are not limited to, management by objectives ("**MBOs**") and financial targets such as revenue, recurring revenue, gross profit and/or EBITDA targets. In addition, with respect to each bonus period beginning on or after January 1, 2019, you will also be eligible each calendar year for an additional discretionary bonus of up to 10.0% of your Base Salary, awarded at the sole discretion of the Board based on the Board's determination as to your achievement of "stretch" targets (the "**Stretch Bonus**").

The bonus formulas, MBOs, performance milestones and all other elements of your bonus opportunities shall be established by the Board in its sole discretion, and communicated in writing (including by e-mail) to you from time to time. Any bonus awarded for a fiscal year shall be paid within thirty (30) days after the Board has received, reviewed and approved the applicable fiscal year's final audited financial statements. In any event, payment of any bonus that is awarded with respect to a fiscal year shall be paid in the calendar year following the fiscal year in which such bonus was awarded, subject, in each case, to your continued employment on the applicable payment date.

In addition, you will receive a signing bonus equal to \$50,000, less deductions and withholdings required by law or authorized by you (the “**Signing Bonus**”), payable in a lump sum on the first regularly scheduled payroll period following the commencement of your employment with the Company. Notwithstanding the foregoing, the Signing Bonus shall be subject to repayment in full by you if, prior to the one (1) year anniversary of the commencement of your employment with the Company, your employment with the Company is terminated for any reason other than (i) by the Company without “Cause” (as defined below) or (ii) by you for “Good Reason” (as defined below).

4. You will also be eligible to participate in regular health, dental and vision insurance plans and other employee benefit plans established by the Company applicable to executive-level employees from time to time, so long as they remain generally available to the Company’s executive-level employees.

5. Your position will be based in New York, NY. Your duties may involve extensive domestic and international travel.

6. You will be eligible to receive that number of options to purchase Units (the “**Unit Options**”) of Kavacha Topco, LLC (“**Topco**”), which Unit Options shall represent approximately 0.15% of the fully-diluted equity securities of Topco at the time of issuance, subject to the following:

(a) All Unit Options will be subject to the terms (including the vesting and exercisability terms) as set forth in the Kavacha Topco, LLC 2018 Non-Qualified Unit Option Plan (the “**Option Plan**”) and a Unit Option Agreement to which you will be a party (the “**Unit Option Agreement**”). The grant of such Unit Options is also subject to Topco’s Board of Managers’ approval. Our intent to recommend such approval is not a promise of compensation and is not intended to create any obligation on the part of the Company or Topco. Further details on the Unit Options and any specific grant of Unit options to you will be provided upon approval of such grant by the Board of Topco.

(b) Your Unit Options, if granted, will vest as follows (it being understood that such vesting shall be subject to your continued employment by the Company through the applicable vesting event):

- (1) 66.67% of the Unit Options would be subject to time-based vesting over four (4) years, with 25% vesting upon the date that is twelve (12) months after the Vesting Commencement Date set forth in the Unit Option Agreement and an additional 6.25% of such Unit Options vesting at the end of each full three (3) calendar month period thereafter (the vesting of any such unvested time-based options would be accelerated upon a change of control of Topco, as defined in the Option Plan); and

- (ii) 33.33% of the Unit Options would vest if one or more equity buy-out investment funds managed or controlled by Vista Equity Partners Management, LLC, and any of such funds' respective portfolio companies (collectively, "**Vista**") received cumulative cash distributions or other cash proceeds, contributions and/or net sale proceeds in respect of the equity securities of Topco or its subsidiaries held by Vista or any loans provided to Topco or its subsidiaries by Vista ("**Vista's Return**") such that Vista's Return equals or exceeds three hundred percent (300%) of Vista's total investment in Topco and its subsidiaries (whether in exchange for equity, indebtedness or otherwise) (calculated pursuant to the formula set forth in the Unit Option Agreement).
- (iii) Notwithstanding anything in the Option Plan, the Unit Option Agreement or this letter to the contrary, in the event that such sale proceeds include non-cash consideration, the value of such non-cash consideration shall be determined by the Board in its good faith discretion in order to determine if the above vesting thresholds have been met. If such thresholds have been met, you will receive an equal proportion of your proceeds from the sale of any equity securities of the Company in such non-cash consideration.

7. There are some formalities that you need to complete as a condition of your continued employment:

- You must carefully consider and sign the Company's standard "Employment and Restrictive Covenants Agreement" (attached to this letter as **Exhibit A**). Because the Company and its affiliates are engaged in a continuous program of research, development, production and marketing in connection with their business, we wish to reiterate that it is critical for the Company and its affiliates to preserve and protect its proprietary information and its rights in inventions.

- So that the Company has proper records of inventions that may belong to you, we ask that you also complete Schedule 1 attached to **Exhibit A**.

- You and the Company mutually agree that any disputes that may arise regarding your employment will be submitted to binding arbitration by the American Arbitration Association. As a condition of your employment, you will need to carefully consider and voluntarily agree to the Mandatory Arbitration Agreement set forth in **Exhibit B**.

8. We also wish to remind you that, as a condition of your employment, you are expected to abide by Topco's, the Company's, and their direct and indirect subsidiaries' policies and procedures, which policies and procedures will be made available to you and may be amended from time to time at the Company's sole discretion, and employees will be notified of any amendments to such policies and procedures.

9. Your employment with the Company is at-will. The Company may terminate your employment at any time with or without notice, and for any reason or no reason. Notwithstanding any provision to the contrary contained in **Exhibit A**, you shall be entitled to terminate your employment with the Company at any time and for any reason or no reason by giving notice in writing to the Company of not less than four (4) weeks ("**Notice Period**"), unless otherwise agreed to in writing by you and the Company. In the event of such notice, the Company reserves the right, in its discretion, to give immediate effect to your resignation in lieu of requiring or allowing you to continue work throughout the Notice Period; provided that the Company pays your Base Salary in lieu of the Notice Period. You shall continue to be an employee of the Company during the Notice Period, and thus owe to the Company the same duty of loyalty you owed it prior to giving notice of your termination. The Company may, during the Notice Period, relieve you of all of our duties and prohibit you from entering the Company's offices.

10. If the Company terminates your employment without "Cause" or you voluntarily terminate your employment for a "Good Reason", you will be entitled to receive a severance payment (the "**Severance Pay**") equal to three months of your then applicable Base Salary, plus an additional one month of your then applicable Base Salary for each year of continuous service with the Company in excess of three years, not to exceed six months of your then applicable Base Salary, payable in equal installments over the zero to six month period following your termination, and, at the sole discretion of the Board, a pro-rated portion of any Bonus that may have been awarded to you during the fiscal year in which such termination occurs, less deductions and withholdings required by law or authorized by you and subject to (A) your timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("**COBRA**") and (B) your continued copayment of premiums at the same level and cost to you as if you were an employee of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers you for a period of zero to three months at the Company's expense, provided that you are eligible and remain eligible for COBRA coverage; provided, further, that the Company's obligation to subsidize COBRA premiums is contingent on the Company determining that such subsidies would reasonably be expected to not result in the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that you obtain other employment that offers group health benefits, such continuation of coverage by the Company under this Section 10 shall immediately cease, subject to the following:

(a) For purposes of this section, "**Cause**" and "**Good Reason**" have the meanings set forth in **Exhibit C** attached hereto.

(b) The Company will not be required to pay the Severance Pay unless (i) you execute and deliver to the Company an agreement (“**Release Agreement**”) in a form satisfactory to the Company releasing from all liability (other than as set forth below) the Company, each member of the Company, and any of their respective past or present officers, directors, managers, employees investors, agents or affiliates, including Vista, and you do not revoke such Release Agreement during any applicable revocation period, (ii) such Release Agreement is executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the date of your termination of employment, and (iii) you have not breached the provisions of Sections 4 through 10 and 16 of Exhibit A, the terms of this letter or any agreement between you and the Company or the provisions of the Release Agreement. If the Release Agreement is executed and delivered and no longer subject to revocation as provided in the preceding sentence, then the Severance Pay shall be paid in accordance with the Company’s general payroll practices at the time of termination, and commencing on the first payroll date occurring after the effective date of the Release Agreement (if permitted by Code Section 409A), or otherwise commencing on the first payroll date occurring after the sixtieth (60th) day following your termination of employment. The first payment of Severance Pay shall include payment of all amounts that otherwise would have been due prior thereto under the terms of this letter had such payments commenced immediately upon your termination of employment, and any payments made thereafter shall continue as provided herein. The Release Agreement will not require you to release (A) the payments and benefits contemplated by this letter, (B) any rights to indemnification pursuant to any statute or governing documents of the Company, and (C) any claims which by law cannot be waived in a private agreement between an employer and employee.

11. You shall not make any statement that would libel, slander or disparage the Company, any member of the Company or its affiliates or any of their respective past or present officers, directors, managers, stockholders, employees or agents; provided that the foregoing will not prevent you from making truthful statements: (a) to your legal counsel, or (b) as required by lawfully compelled testimony, and provided that you notify the Company in advance of any such testimony and cooperate with the Company’s reasonable efforts with respect to such testimony, unless doing so would violate any lawful order.

12. While we look forward to a long and profitable relationship, you will be an at-will employee of the Company as described in Section 9 of this letter and Section 3 of Exhibit A. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are, and should be regarded by you as, ineffective. Further, your participation in any benefit program or other Company program, if any, is not to be regarded as assuring you of continuing employment for any particular period of time.

13. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation establishing your identity and demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, you may contact our personnel office.

14. It should also be understood that all offers of employment are conditioned on the Company's completion of a satisfactory background check, including a drug screening process. The Company reserves the right to perform background checks during the term of your employment, subject to compliance with applicable laws. You will be required to execute forms authorizing such a background check.

15. This letter along with its Exhibits and the documents referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter of this letter, and supersede all prior understandings and agreements, including but not limited to severance, employment or similar agreements, whether oral or written, between or among you and the Company or its predecessor with respect to the specific subject matter hereof.

16. In the event of a conflict between the terms of this letter and the provisions of Exhibit A, the terms of this letter shall prevail.

17. Notwithstanding any other provision herein, the Company shall be entitled to withhold from any amounts otherwise payable hereunder any amounts required to be withheld in respect to federal, state or local taxes.

18. The intent of the parties is that payments and benefits under this letter be exempt from or comply with Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively "**Code Section 409A**") and, accordingly, to the maximum extent permitted, this letter shall be interpreted to be in compliance therewith. In addition, the following shall apply:

(a) In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on you by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this letter providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this letter, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

(c) Notwithstanding anything to the contrary in this Agreement, if you are deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (i) the expiration of the six (6)-month period measured from the date of such "separation from service", and (ii) the date of your death, to the extent required under Code Section 409A.

(d) For purposes of Code Section 409A, your right to receive any installment payments pursuant to this letter shall be treated as a right to receive a series of separate and distinct payments. To the extent that reimbursements or other in-kind benefits under this letter constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (i) all such expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by you, (ii) any right to such reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(e) Notwithstanding any other provision of this letter to the contrary, in no event shall any payment under this letter that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

19. The effective date of employment under the terms of this offer is March 27th, 2019. If you decide to accept the terms of this letter, and I hope you will, please signify your acceptance of these conditions of employment by signing and dating the enclosed copy of this letter and its **Exhibit A** and returning them to me, not later than March 27th, 2019.

Should you have anything that you wish to discuss, please do not hesitate to contact me.



By signing this letter and Exhibit A attached hereto, you represent and warrant that you have had the opportunity to seek the advice of independent counsel before signing and have either done so, or have freely chosen not to do so, and either way, you sign this letter voluntarily.

Very truly yours,

/s/ Michael Fosnaugh

Michael Fosnaugh  
Authorized Signatory

---

I have read and understood this letter and Exhibit A attached and hereby acknowledge, accept and agree to the terms set forth therein.

/s/ Bershadsky

Date signed: 2/21/19

Signature

Name: Oleg Bershadsky

**LIST OF EXHIBITS**

Exhibit A: Employment and Restrictive Covenants Agreement

Exhibit B: Mandatory Arbitration Agreement

Exhibit C: Certain Definitions

**EXHIBIT A**

**(To the Letter dated February 14, 2019)**

**Employment and Restrictive Covenants Agreement**

This Employment and Restrictive Covenants Agreement (the “**Agreement**”) is made effective March 27th, 2019 (the “**Effective Date**”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as “**Company**”) and Oleg Bershadsky (hereafter referenced as “**Employee**” and together with the Company, each a “**Party**” and collectively, the “**Parties**”).

1. **PURPOSE.** In connection with Employee’s employment by the Company (the “**Employment**”), Employee and the Company wish to set forth the terms and conditions under which Employee will be employed by the Company, and certain restrictions applicable to Employee as a result of the Employment with the Company. This Agreement is intended: to allow the parties to engage in the Employment, with the Company giving Employee access to the Company’s Customers, employees, and Confidential Information (as those terms are defined below); to protect the Company’s business, information, and relationships against unauthorized competition, solicitation, recruitment, use, or disclosure; and to clarify Employee’s legal rights and obligations, to the extent not set forth in the letter to which this Agreement is attached (the “**Letter**”). Capitalized terms used but not defined in this Agreement shall have the meanings indicated in the Letter or any other exhibit to the Letter, as applicable.

2. **THE BUSINESS OF THE COMPANY.** The Company is engaged in the business of data collection and analytics, research and design, development, sales, licensing or marketing, relating to the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing (collectively the “**Business**” of the Company). Employee acknowledges that the Company has a legitimate interest in protecting its Confidential Information, trade secrets, customer relationships, customer goodwill, employee relationships, and the special investment and training given to Employee.

3. **“AT-WILL” EMPLOYMENT AND OTHER ACKNOWLEDGEMENTS.**

(a) Employee shall perform such duties or responsibilities as assigned to Employee from time to time. The Parties acknowledge that Employee’s Employment by the Company at all times is and shall remain “at will,” and may be terminated by either Party at any time, with or without notice and with or without Cause. Employee acknowledges that but for Employee’s execution of this Agreement, Employee would not be employed by the Company.

(b) Employee acknowledges that Employee’s duties shall entail Employee’s contact with the Company’s Customers to whom Employee is introduced, to which Employee is assigned, whose accounts Employee shall oversee, or for which Employee otherwise is directly or indirectly responsible.

(c) Employee further acknowledges that Employee will be given the use of the Company's Confidential Information. Employee acknowledges that the Company's goodwill with its Customers and Prospective Customers, as well as the Company's Confidential Information, are among the most valuable assets of the Company's Business. Accordingly, Employee hereby agrees, acknowledges, covenants, represents and warrants that at all times during Employee's Employment with the Company, Employee will faithfully perform Employee's duties with the utmost loyalty to the Company, and will owe a fiduciary duty and duty of loyalty to the Company. Employee agrees that during the Employment, Employee will do nothing disloyal or adverse to the Company or the Company's Business, or which creates any conflict of interest with the Company or the Business of the Company. Employee will abide by the policies of the Company at all times during Employee's Employment, and acknowledges that the Company may unilaterally change its policies, practices, and procedures at any time, at the sole discretion of the Company.

(d) Employee understands and acknowledges that all equipment, communication devices, physical property, documents, information, data bases, furniture, accessories, premises, and any other items provided to Employee while employed by Company, shall at all times remain the sole property of the Company, and as such, Employee shall have no reasonable expectation of privacy when using such items.

(e) Employee acknowledges that Employee will be afforded an investment of time, training, money, trust, exposure to the public, or exposure to Customers, vendors, suppliers, investors, joint venture partners, or other business relationships of the Company during the course of the Employment, and Employee's position gives Employee a high level of influence or credibility with the Company's Customers, vendors, suppliers, or other business relationships. Employee understands and acknowledges that Employee will possess specialized skills, learning, abilities, Customer contacts, or Customer information by reason of working for the Company.

(f) Employee acknowledges that, through Employee's Employment with the Company, Employee may customarily and regularly solicit Customers and/or Prospective Customers for the Company, and/or engage in making sales or obtaining orders or contracts for products or services.

(g) Employee understands that the Company has specifically instructed him/her to refrain from bringing to the Company any documents or materials or intangibles of a former employer or third party that are not in the public domain, or have not been legally transferred or licensed to the Company, or that might constitute the confidential information or trade secrets of a prior employer. Employee agrees that when performing duties on behalf of the Company, he/she will not breach any invention assignment, proprietary information, confidentiality, noncompetition, nonsolicitation or other similar agreement with any former employer or other party.

4. **DUTY OF LOYALTY.** Employee understands that his/her Employment and provision of services on behalf of the Company requires Employee's undivided attention and effort. Accordingly, during Employee's Employment, Employee agrees that he/she will not, without the Company's express prior written consent, (a) engage in any **other** business activity, unless such activity is for passive investment purposes not otherwise prohibited by this Agreement and will not require Employee to render any services, (b) be engaged or interested, directly or indirectly, alone or with others, in any trade, business or occupation in competition with the Company, (c) take steps, alone or with others, to engage in competition with the Company in the future, or (d) appropriate for Employee's own benefit business opportunities pertaining to the Company's Business.

5. **INVENTIONS.**

(a) **Prior Inventions.** Attached hereto as Schedule 1 is a complete and accurate list describing all Inventions (as defined below) which were conceived, discovered, created, invented, developed and/or reduced to practice by Employee prior to the commencement of his/her Employment that have not been legally assigned or licensed to the Company (collectively: "**Prior Inventions**"). If there are no such Prior Inventions, Employee shall initial Schedule 1 to indicate Employee has no Prior Inventions to disclose.

Employee acknowledges and agrees that if in the course of Employee's Employment, Employee incorporates or causes to be incorporated into a Company product, service, process, file, system, application or program a Prior Invention, Employee will grant the Company a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, offer to sell, sell or otherwise distribute such Prior Invention as part of or in connection with such product, process, file, system, application or program.

(b) **Disclosure and Assignment of Inventions.** Employee agrees to promptly disclose to the Company in writing all Inventions (as defined below) that Employee conceives, develops and/or first reduces to practice or creates, either alone or jointly with others, during the period of Employee's Employment with the Company, and for a period of three (3) months thereafter, whether or not in the course of Employee's Employment. Employee further assigns and agrees to assign all of Employee's rights, title and interest in the Inventions to the Company. Employee understands that this Section 5(b) does not apply to Inventions that the Employee developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets, except for those Inventions that either: (i) relate at the time of conception or use to the Company's business, or actual or demonstrably anticipated research or development; or (ii) result from any work the employee performs for the Company.

(c) In the event that the Company is unable for any reason to secure Employee's signature to any document required to file, prosecute, register or memorialize the ownership and/or assignment of any Invention, Employee hereby irrevocably designates and appoints the Company's duly authorized officers and agents as Employee's agents and attorneys-in-fact to act for and on Employee's behalf and stand to (i) execute, file, prosecute, register and/or memorialize the assignment and/or ownership of any Invention; (ii) to execute and file any documentation required for such enforcement and (iii) do all other lawfully permitted acts to further the filing, prosecution, registration, memorialization of assignment and/or ownership of, issuance of and enforcement of any Inventions, all with the same legal force and effect as if executed by Employee.

(d) **Use of Inventions.** Employee acknowledges that he/she is not entitled to use the Inventions for Employee's own benefit or the benefit of anyone except the Company without written permission from the Company, and then only subject to the terms of such permission. Employee further agrees that Employee will communicate to the Company, as directed by the Company, any facts known to Employee and testify in any legal proceedings, sign all lawful papers, make all rightful oaths, execute all divisionals, continuations, continuations-in-part, foreign counterparts, or reissue applications, all assignments, all registration applications and all other instruments or papers to carry into full force and effect, the assignment, transfer and conveyance hereby made or to be made and generally do everything possible for title to the Inventions to be clearly and exclusively held by the Company as directed by the Company.

(e) For purposes of this Agreement, "**Inventions**" means, without limitation, any and all formulas, algorithms, processes, techniques, concepts, designs, developments, technology, ideas, patentable and unpatentable inventions and discoveries, copyrights and works of authorship in any media now known or hereafter invented (including computer programs, source code, object code, hardware, firmware, software, mask work, applications, files, internet site content, databases and compilations, documentation and related items) patents, trade and service marks, logos, trade dress, corporate names and other source indicators and the good will of any business symbolized thereby, trade secrets, know-how, confidential and proprietary information, documents, analyses, research and lists (including current and potential customer and user lists) and all applications and registrations and recordings, improvements and licenses that (i) relate in any manner, whether at the time of conception, design or reduction to practice, to the Company's Business or its actual or demonstrably anticipated research or development; (ii) result from any work performed by Employee on behalf of the Company; or (iii) result from the use of the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets.

Employee recognizes that Inventions or proprietary information relating to Employee's activities while working for the Company, and conceived, reduced to practice, created, derived, developed, or made by Employee, alone or with others, within three (3) months after termination of Employee's Employment may have been conceived, reduced to practice, created, derived, developed, or made, as applicable, in significant part while Employee was employed by the Company. Accordingly, Employee agrees that such Inventions and proprietary information shall be presumed to have been conceived, reduced to practice, created, derived, developed, or made, as applicable, during Employee's Employment with the Company and are to be assigned to the Company pursuant to this Agreement and applicable law unless Employee has established the contrary by clear and convincing evidence.

(f) **Work for Hire.** Employee acknowledges and agrees that any copyrightable works prepared by Employee within the scope of Employee's Employment are "works made for hire" under the Copyright Act of 1976 and that the Company will be considered the author and owner of such copyrightable works. Any copyrightable works the Company specially commissions from Employee while Employee is employed also shall be deemed a work made for hire under the Copyright Act, and if for any reason such work cannot be so designated as a work made for hire, Employee agrees to and hereby assigns to the Company, as directed by the Company, all right, title and interest in and to said work(s). Employee further agrees to and hereby grants the Company, as directed by the Company, a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, publicly perform, display or otherwise distribute any copyrightable works Employee creates during Employee's Employment. Employee understands that this Section 5(f) does not apply to Inventions that the Employee developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets, except for those Inventions that either: (i) relate at the time of conception or use to the Company's business, or actual or demonstrably anticipated research or development; or (ii) result from any work the employee performs for the Company.

(g) **Assignment of Other Rights.** In addition to the foregoing assignment of Inventions to the Company, Employee hereby irrevocably transfers and assigns to the Company: (i) all worldwide patents, patent applications, copyrights, mask works, trade secrets and other intellectual property rights in any Inventions; and (ii) any and all "Moral Rights" (as defined below) that Employee may have in or with respect to any Inventions. Employee also hereby forever waives and agrees never to assert any and all Moral Rights Employee may have in or with respect to any Inventions, even after termination of Employee's Employment on behalf of the Company. "**Moral Rights**" means any rights to claim authorship of any Inventions, to object to or prevent the modification of any Inventions, or to withdraw from circulation or control the publication or distribution of any Inventions, and any similar right, existing under applicable judicial or statutory law of any country in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a "moral right."

(h) **Applicability to Past Activities.** To the extent Employee has been engaged to provide services by the Company or its predecessor for a period of time before the effective date of this Agreement (the "**Prior Engagement Period**"), Employee agrees that if and to the extent that, during the Prior Engagement Period: (i) Employee received access to any information from or on behalf of the Company that would have been proprietary information if Employee had received access to such information during the period of Employee's Employment with the Company under this Agreement; or (ii) Employee conceived, created, authored, invented, developed or reduced to practice any item, including any intellectual property rights with respect thereto, that would have been an Invention if conceived, created, authored, invented, developed or reduced to practice during the period of Employee's Employment with the Company under this Agreement, then any such information shall be deemed proprietary information hereunder and any such item shall be deemed an Invention hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.

## **6. NONDISCLOSURE AGREEMENT.**

(a) Employee expressly agrees that, throughout the term of Employee's Employment with the Company and at all times following the termination of Employee's Employment from the Company, for so long as the information remains confidential, Employee will not use or disclose any Confidential Information disclosed to Employee by the Company, other than for the purpose to carry out the Employment for the benefit of the Company (but in all cases preserving confidentiality by following the Company's policies and obtaining appropriate non-disclosure agreements). Employee shall not, directly or indirectly, use or disclose any Confidential Information to third parties, nor permit the use by or disclosure of Confidential Information by third parties. Employee agrees to take all reasonable measures to protect the secrecy of and avoid disclosure or use of Confidential Information in order to prevent it from falling into the public domain or into the possession of any Competing Business or any persons other than those persons authorized under this Agreement to have such information for the benefit of the Company. Employee agrees to notify the Company in writing of any actual or suspected misuse, misappropriation, or unauthorized disclosure of Confidential Information that may come to Employee's attention. Employee acknowledges that if Employee discloses or uses knowledge of the Company's Confidential Information to gain an advantage for Employee, for any Competing Business, or for any other person or entity other than the Company, such an advantage so obtained would be unfair and detrimental to the Company.

(b) Employee expressly agrees that Employee's duty of non-use and non-disclosure shall continue indefinitely for any information of the Company that constitutes a Trade Secret under applicable law, so long as such information remains a Trade Secret.

**(c) Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.**

**(d) Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the Parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.**

**7. RETURN OF COMPANY PROPERTY AND MATERIALS.** Any Confidential Information, trade secrets, materials, equipment, information, documents, electronic data, or other items that have been furnished by the Company to Employee in connection with the Employment are the exclusive property of the Company and shall be promptly returned to the Company by Employee, accompanied by all copies of such documentation, immediately when the Employment has been terminated or concluded, or otherwise upon the written request of the Company. Employee shall not retain any copies of any Company information or other property after the Employment ends, and shall cooperate with the Company to ensure that all copies, both written and electronic, are immediately returned to the Company or permanently deleted, if in electronic form. Employee shall cooperate with Company representatives and allow such representatives to oversee the process of erasing and/or permanently removing any such Confidential Information or other property of the Company from any computer, personal digital assistant, phone, or other electronic device, or any cloud-based storage account or other electronic medium owned or controlled by Employee.

**8. LIMITED NONCOMPETE AGREEMENT.** Employee expressly agrees that Employee will not (either directly or indirectly, by assisting or acting in concert with others) Compete with the Company during the Restricted Period within the Restricted Territory. Notwithstanding the foregoing, nothing herein shall prohibit Employee from:

(a) being a passive owner:

(i) of not more than one percent (1%) of the outstanding stock of any class of securities of a publicly-traded corporation engaged in Competitive Services,

(ii) of not more than five percent (5%) of the outstanding limited partnership interests or similar securities of any unaffiliated, third-party professional investment fund or investment vehicle, which shall not be deemed to be engaging in a Competitive Business solely by reason the business of any of its portfolio companies, so long as, in each instance, Employee has no other participation whatsoever in such investment fund or investment vehicle or their respective portfolio companies; or

(b) accepting employment or other engagement with any person or entity that has several divisions, only certain of which provide Competitive Services, if Employee's employment or engagement is with a division that does not provide Competitive Services, and Employee (i) informs such employing or engaging person or entity of the restrictions and obligations set forth herein, (ii) does not perform any services relating to the Competitive Services during the Restricted Period, and (iii) otherwise complies with the terms of this Agreement.



**9. NONSOLICITATION OF CUSTOMERS / PROSPECTIVE CUSTOMERS.** Employee expressly agrees that during the Restricted Period, Employee will not (either directly or indirectly, by assisting or acting in concert with others), on behalf of himself/herself or any other person, business, entity, including but not limited to on behalf of a Competing Business, call upon, solicit, or attempt to call upon or solicit any business from any Customer or Prospective Customer for the purpose of providing services substantially similar to the Services.

**10. NONRECRUITMENT OF EMPLOYEES.** Employee expressly agrees that during the Restricted Period, Employee will not, on behalf of himself/herself or any other person, business, or entity (either directly or indirectly, by assisting or acting in concert with others), solicit, recruit or hire, or attempt to solicit, recruit or hire, any of the Company's employees, or encourage any of the Company's employees to leave employment with the Company to work for a Competing Business. For purposes of this Section 10, "Company employee" means any then current employee of the Company or any individual who was an employee of the Company in the twelve (12) month period preceding the solicitation, recruitment or hiring (or attempt thereof) by Employee.

**11. REASONABLENESS OF RESTRICTIONS.** Employee agrees that the obligations set forth in this Agreement are necessary and reasonable in order to protect the Company's legitimate business interests and (without limiting the foregoing) that the obligations set forth in Sections 8, 9 and 10 are necessary and reasonable in order to protect the Company's legitimate business interests in protecting its Confidential Information, Trade Secrets, customer and employee relationships and the goodwill associated therewith.

**12. REMEDIES; INJUNCTIVE RELIEF; TOLLING.**

(a) Employee expressly agrees that due to the unique nature of the Company's Confidential Information, and its relationships with its Customers and other employees, monetary damages would be inadequate to compensate the Company for any breach by Employee of the covenants and agreements set forth in this Agreement. Accordingly, Employee agrees and acknowledges that any such violation or threatened violation shall cause irreparable injury to the Company and that, in addition to any other remedies that may be available in law, in equity, or otherwise, the Company shall be entitled: (i) to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach by Employee, without the necessity of proving actual damages; and (ii) to be indemnified by Employee from any loss or harm; and (iii) to recover any reasonable costs or attorneys' fees, arising out of or in connection with any breach by Employee or enforcement action relating to Employee's obligations under this Agreement; provided that in any such action in which the Company does not prevail, Employee shall be entitled to recover his/her reasonable costs or attorneys' fees, arising out of or in connection therewith.

(b) Notwithstanding the arbitration provisions contained herein or in the Letter, or anything else to the contrary in this Agreement, Employee understands that the violation of any restrictive covenants of this Agreement may result in irreparable and continuing damage to the Company for which monetary damages will not be sufficient, and agrees that Company will be entitled to seek, in addition to its other rights and remedies hereunder or at law, and both before or while an arbitration is pending between the parties under this Agreement, a temporary restraining order, preliminary injunction or similar

injunctive relief from a court of competent jurisdiction in order to preserve the status quo or prevent irreparable injury pending the full and final resolution of the dispute through arbitration, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned injunctive relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief through arbitration proceedings. This Section shall not be construed to limit the obligation for either party to pursue arbitration.

(c) The Restricted Period as defined in this Agreement shall be extended by the length of any actual breach or violation of the restrictive covenants of this Agreement.

13. **DEFINITIONS.** For all purposes throughout this Agreement, the terms defined below shall have the respective meanings specified in this Section.

(a) **“Customer”** of the Company shall mean any business or entity with which Employee had Material Contact, for the purpose of providing Services, during the twelve (12) months preceding Employee’s termination date.

(b) **“Compete”** shall mean to provide Competitive Services, whether Employee is acting on behalf of himself/herself, or in conjunction with or in concert with any other entity, person, or business, including activities performed while working for or on behalf of a Customer.

(c) **“Competitive Services”** shall mean the business of data collection and analytics, research and design, development, sales, licensing or marketing, relating to the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing, conducted, authorized, or offered by the Company or any predecessor within the two (2) years prior to the termination of Employee’s Employment.

(d) **“Competing Business”** shall mean any entity, including but not limited to any person, company, partnership, corporation, limited liability company, association, organization or other entity, that provides Competitive Services.

(e) **“Confidential Information”** shall mean sensitive business information having actual or potential value to the Company because it is not generally known to the general public or ascertainable by a Competing Business, and which has been disclosed to Employee, or of which Employee will become aware, as a consequence of the Employment with the Company, including any information related to: the Company’s investment strategies, management planning information, business plans, operational methods, market studies, marketing plans or strategies, patent information, business acquisition plans, past, current and planned research and development, formulas, methods, patterns, processes, procedures, instructions, designs, inventions, operations, engineering, services, drawings, equipment, devices, technology, software systems, price lists, sales

reports and records, sales books and manuals, code books, financial information and projections, personnel data, names of customers, customer lists and contact information, customer pricing and purchasing information, lists of targeted prospective customers, supplier lists, product/service and marketing data and programs, product/service plans, product development, advertising campaigns, new product designs or roll out, agreements with third parties, or any such similar information.

Confidential Information shall also include any information disclosed to the Company by a third party (including, but not limited to, current or prospective Customers) that the Company is obliged to treat as confidential.

Confidential Information may be in written or non-written form, as well as information held on electronic media or networks, magnetic storage, cloud storage service, or other similar media. The Company has invested and will continue to invest extensive time, resources, talent, and effort to develop its Confidential Information, all of which generates goodwill for the Company. Employee acknowledges that the Company has taken reasonable and adequate steps to control access to the Confidential Information and to prevent unauthorized disclosure, which could cause injury to the Company. This definition shall not limit any broader definition of “confidential information” or any equivalent term under applicable state or federal law.

(f) **“Material Contact”** shall mean actual contact between Employee and a Customer with whom Employee dealt on behalf of the Company; or whose dealings with the Company were coordinated or supervised by Employee; or who received goods or services from the Company that resulted in payment of commissions or other compensation to Employee; or about whom Employee obtained Confidential Information because of Employee’s Employment with the Company.

(g) **“Prospective Customer”** shall mean any business or entity with whom Employee had Material Contact, for the purpose of attempting to sell or provide Services, and to whom Employee provided a bid, quote for Services, or other Confidential Information of the Company, during the twelve (12) months preceding Employee’s termination date.

(h) **“Restricted Period”** shall mean the entire term of Employee’s Employment with the Company and a one (1) year period immediately following the termination of Employee’s Employment, unless otherwise delineated or described in the “end notes and exceptions” at the end of this Agreement.

(i) **“Restricted Territory”** shall mean the geographic area in which or with respect to which Employee provided or attempted to provide any Services or performed operations on behalf of the Company as of the date of termination or during the twelve (12) months preceding Employee’s termination date.

(j) **“Trade Secrets”** shall mean the business information of the Company that is competitively sensitive and which qualifies for trade secrets protection under applicable trade secrets laws, including but not limited to the Defend Trade Secrets Act. This definition shall not limit any broader definition of “trade secret” or any equivalent term under any applicable local, state or federal law.

(k) “**Services**” shall mean the types of work product, processes and work-related activities relating to the Business of the Company performed by Employee during the Employment.

14. **RESERVED.**

15. **NOTICE OF VOLUNTARY TERMINATION OF EMPLOYMENT.** Unless otherwise stated in the Letter, Employee agrees to use reasonable efforts to provide the Company fourteen (14) days written notice of Employee’s intent to terminate Employee’s Employment; provided, however, that this provision shall not change the at-will nature of the employment relationship between Employee and the Company. It shall be within the Company’s sole discretion to determine whether Employee should continue to perform services on behalf of the Company during this notice period.

16. **NON-DISPARAGEMENT.** During and after Employee’s Employment with the Company, except for truthful statements compelled or required by law, Employee agrees he/she shall not disparage the Company, its Customers and suppliers or their respective officers, directors, agents, employees, attorneys, shareholders, successors or assigns or their respective products or services, in any manner (including but not limited to, verbally or via hard copy, websites, blogs, social media forums or any other medium); provided, however, that nothing in this Section 16 shall prevent Employee from: engaging in concerted activity relative to the terms and conditions of Employee’s Employment and in communications protected under the National Labor Relations Act, filing a charge or providing information to any governmental agency, or from providing information in response to a subpoena or other enforceable legal process or as otherwise required by law.

17. **NOTIFICATION OF NEW EMPLOYER.** Before Employee accepts employment or enters into any consulting, independent contractor, or other professional or business engagement with any other person or entity while any of the provisions of Sections 8, 9 or 10 of this Agreement are in effect, Employee will provide such person or entity with written notice of the provisions of Sections 8, 9 and/or 10 and will deliver a copy of that notice to the Company. While any of Sections 8, 9 and/or 10 of this Agreement are in effect, Employee agrees that, upon the request of the Company, Employee will furnish the Company with the name and address of any new employer or entity for whom Employee will provide contractor or consulting services, as well as the capacity in which Employee will be employed or otherwise engaged. Employee hereby consents to the Company’s notifying Employee’s new employer about Employee’s responsibilities, restrictions and obligations under this Agreement.

18. **WITHHOLDING.** To the extent allowed by applicable law, Employee agrees to allow the Company to deduct from the final paycheck(s) any amounts due as a result of the Employment, including, but not limited to, any expense advances or business charges incurred on behalf of the Company, charges for property damaged or not returned when requested, and any other charges incurred that are payable to the Company. Employee agrees to execute any authorization form as may be provided by Company to effectuate this provision.

19. **NO INTELLECTUAL PROPERTY RIGHTS GRANTED.** Nothing in this Agreement shall be construed as granting to Employee any rights under any patent, copyright, or other intellectual property right of the Company, nor shall this Agreement grant Employee any rights in or to Confidential Information of the Company other than the limited right to review and use such Confidential Information solely for the purpose of participating in the Employment for the benefit of the Company.

20. **SUCCESSORS AND ASSIGNS.** This Agreement will be binding upon Employee's heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, its assigns and licensees. This Agreement, and Employee's rights and obligations hereunder, may not be assigned by Employee; however, the Company may assign its rights hereunder without Employee's consent, in connection with any sale, transfer or other disposition of any or all of its business or assets.

21. **SEVERABILITY AND REFORMATION.** Employee and the Company agree that if any particular sections, paragraphs, subparagraphs, phrases, words, or other portions of this Agreement are determined by an appropriate court, arbitrator, or other tribunal to be invalid or unenforceable as written, they shall be modified as necessary to comport with the reasonable intent and expectations of the Parties and in favor of providing maximum reasonable protection to the Company's legitimate business interests. Such modification shall not affect the remaining provisions of this Agreement. If such provisions cannot be modified to be made valid or enforceable, then they shall be severed from this Agreement, and all remaining terms and provisions shall remain enforceable. Sections 8, 9 and 10 and each restrictive covenant within them are intended to be divisible and to be interpreted and applied separately and independently.

22. **ENTIRE AGREEMENT; AMENDMENT.** This Agreement, together with each agreement specifically referred to herein as having a continuing effect (including the Letter and any other exhibit to the Letter) contains the entire agreement between the Parties relating to the subject matters contained herein. No term of this Agreement may be amended or modified unless made in writing and executed by both Employee and an authorized agent of the Company. This Agreement replaces and supersedes all prior representations, understandings, or agreements, written or oral, between Employee and the Company with regard to restrictive covenants, post-employment restrictions, and Mandatory arbitration.

23. **WAIVER.** Failure to fully enforce any provision of this Agreement by either Party shall not constitute a waiver of any term hereof by such Party; no waiver shall be recognized unless expressly made in writing, and executed by the Party that allegedly made such waiver.

24. **CONSTRUCTION.** The Parties agree that this Agreement has been reviewed by each Party, each Party had an opportunity to make suggestions about the provisions of the Agreement, and each Party had sufficient opportunity to obtain the advice of legal counsel on matters of contract interpretation, if desired. The Parties agree that this Agreement shall not be construed or interpreted more harshly against one Party merely because one Party was the original drafter of the Agreement.

25. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same legally recognized instrument.

26. **THIRD-PARTY BENEFICIARIES.** Employee specifically acknowledges and agrees that the direct and indirect subsidiaries, parents, owners, and affiliated companies of the Company are intended to be beneficiaries of this Agreement and shall have every right to enforce the terms and provisions of this Agreement in accordance with the provisions of this Agreement.

27. **NOTICES.** Notices regarding this Agreement shall be sent via email or to the mailing addresses of the Parties as set forth in the signature block to this Agreement.

28. **GOVERNING LAW AND FORUM SELECTION.** This Agreement shall be governed by and construed in accordance with the Federal Arbitration Act. Any non-arbitration-related issues shall be resolved under the substantive laws and in the jurisdiction of the state where Employee most recently worked for the Company.

29. **ENDNOTES AND EXCEPTIONS.** Certain of the foregoing provisions of this Agreement are hereby modified in certain states as described in the following Sections and Subsections:

(a) **Section 6:** the “**Nondisclosure Agreement**” shall apply not for the entire time period following Employee’s Employment, but rather shall apply only during the Restricted Period in the following states: Arizona, Florida, Illinois, Indiana, New Jersey, Virginia and Wisconsin. Additionally, to the extent Section 6.a applies in Wisconsin to Confidential Information that does not constitute a trade secret under applicable law, it shall apply only in geographic areas where the unauthorized disclosure or use of Confidential Information would be competitively damaging to the Company.

(b) **Section 9:** the “**Nonsolicitation of Customers/Prospective Customers**” provision shall apply not to any Prospective Customer, but rather shall apply only to any Customer, in the following states: Wisconsin. Additionally, in Wisconsin, Section 9 shall not apply to “attempts.”

(c) **Section 10:** “**Nonrecruitment of Employees**” shall not apply in Wisconsin. The Restricted Period for the nonrecruitment of Company employees in Section 10 shall be eighteen (18) months in the following states: Alabama.

(d) **Section 12:** The final sentence of Section 12 shall not apply in the following states: Arkansas, Louisiana, and Wisconsin.

(e) **Section 13(e): “Confidential Information”** The definition of Confidential Information shall include only information that has actual value to the Company in the following state: Wisconsin.

[Remainder of page intentionally left blank.  
Signatures on following page.]

Page A-14 of 15

The Parties have executed this Employment and Restrictive Covenants Agreement, which is effective as of the Effective Date written above.

**For Employee:**

**For Company:**

Signature:

Signature:

/s/ Bershadsky

/s/ Michael Fosnaugh

Printed Name: Oleg Bershadsky

Printed Name: Michael Fosnaugh

Address:

Address:

\*\*\*\*\*

180 N. Stetson Ave., Suite 4000

\*\*\*\*\*

Chicago, IL 60601

Email: \*\*\*\*\*

Title: \_\_\_\_\_

Date: 2/21/19

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



**Schedule 1**

**(List of Employee's Prior Inventions)**

O.B. By initialing here, I represent and warrant that I have no Prior Inventions, as that term is defined in the Agreement to which this Schedule I is attached.

OR

Below is a complete and accurate list of Prior Inventions, as that term is defined in the Agreement to which this Schedule 1 is attached.

**For Employee:**

Signature: /s/ Bershadsky

Printed Name: Oleg Bershadsky

Address: \*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 2/21/19

**EXHIBIT B**

(To the Letter dated February 14, 2019)

**MANDATORY ARBITRATION AGREEMENT**

This Mandatory Arbitration Agreement (the “**Arbitration Agreement**”) is made effective March 27th, 2019 (the “**Effective Date**”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as “**Company**”) and Oleg Bershadsky (hereafter referenced as “**Employee**” and together with the Company, each a “**Party**” and collectively, the “**Parties**”).

A Party may bring an action in court to obtain a temporary restraining order, injunction, or other equitable relief available in response to any violation or threatened violation of the restrictive covenants set forth in this Agreement. Otherwise, Employee expressly agrees and acknowledges that the Company and Employee will utilize binding arbitration to resolve all disputes that may arise out of the Employment, which shall include the following:

1. Both the Company and Employee hereby agree that any claim, dispute, and/or controversy between Employee and the Company (or its owners, directors, officers, managers, employees, agents, insurers and parties affiliated with its employee benefit and health plans), arising from, related to, or having any relationship or connection whatsoever to the Employment, shall be submitted to and determined exclusively by binding arbitration (before the American Arbitration Association (“**AAA**”) under the Federal Arbitration Act (9 U.S.C. §§ 1, *et seq.*), in conformity with the Federal Rules of Civil Procedure and pursuant to the AAA’s Employment Rules. Included within the scope of this Agreement are all disputes including, but not limited to, any claims alleging employment discrimination, harassment, hostile environment, retaliation, whistleblower protection, wrongful discharge, constructive discharge, failure to grant leave, failure to reinstate, failure to accommodate, tortious conduct, breach of contract, and/or any other claims Employee may have against the Company for any exemption misclassification, unpaid wages or overtime pay, benefits, payments, bonuses, commissions, vacation pay, leave pay, workforce reduction payments, costs or expenses, emotional distress, pain and suffering, or other alleged damages arising out of the Employment or termination. Also included are any claims based on or arising under Title VII of the Civil Rights Act of 1964, 42 USC Section 1981, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Fair Labor Standards Act, Sarbanes-Oxley, all as amended, or any other state or federal law or regulation, equitable law, or otherwise relating in any way to the employment relationship.

2. The arbitration proceeding shall be conducted in the State of New York, New York County,

3. Nothing herein, however, shall prevent Employee from filing and pursuing proceedings before the United States Equal Employment Opportunity Commission or similar state agency (although if Employee chooses to pursue any type of claim for relief following the exhaustion of such administrative remedies, such claim would be subject to resolution under these mandatory arbitration provisions). In addition, nothing herein shall prevent Employee from filing an administrative claim for unemployment benefits or workers’ compensation benefits.

4. Nothing in the confidentiality or nondisclosure or other provisions of this Agreement shall be construed to limit Employee's right to respond accurately and fully to any question, inquiry or request for information when required by legal process or from initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority, regarding the Company, Employee's Employment, or this Agreement. Employee is not required to contact the Company regarding the subject matter of any such communications before engaging in such communications. Employee also understands that Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the E disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Employee also understands that disclosure of trade secrets to attorneys, in legal proceedings if disclosed under seal, or pursuant to court order is also protected under 18 U.S. Code §1833 when disclosure is made in connection with a retaliation lawsuit based on the reporting of a suspected violation of law.

5. In addition to any other requirements imposed by law, the arbitrator selected shall be a qualified individual mutually selected by the Parties, and shall be subject to disqualification on the same grounds as would apply to a judge. All rules of pleading, all rules of evidence, all statutes of limitations, all rights to resolution of the dispute by means of motions for summary judgment, and judgment on the pleadings shall apply and be observed. Resolution of the dispute shall be based solely upon the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis (including but not limited to, notions of "just cause") other than such controlling law. Likewise, all communications during or in connection with the arbitration proceedings are privileged. The arbitrator shall have the authority to award appropriate substantive relief under relevant laws, including the damages, costs and attorneys' fees that would be available under such laws.

6. Employee's initial share of the arbitration fee shall be in an amount equal to the filing fee as would be applicable in a court proceeding, or \$100, whichever is less. Beyond the arbitration filing fee, the non-prevailing party as determined by the arbitrator will bear all other fees, expenses and charges of the arbitrator.

7. Employee understands and agrees that all claims against the Company must be brought in Employee's individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. Employee understands that there is no right or authority for any dispute to be heard or arbitrated on a collective action basis, class action basis, as a private attorney general, or on bases involving claims or disputes brought in a representative capacity on behalf of the general public, on behalf of other Company employees (or any of them) or on behalf of other persons alleged to be similarly situated.

Employee understands that there are no bench or jury trials and no class actions or representative actions permitted under this Agreement. The arbitrator shall not consolidate claims of different employees into one proceeding, nor shall the arbitrator have the power to hear an arbitration as a class action, collective action, or representative action. The interpretation of this subsection shall be decided by a judge, not the arbitrator.

8. Employee and Company agree to the following procedures:

(a) Prior to the service of an Arbitration Demand, the parties shall negotiate in good faith for a period of thirty (30) days in an effort to resolve any arbitrable dispute privately, amicably and confidentially. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by either Party or their representatives will be confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in negotiations pursuant to this Section 8.

(b) If negotiations fail, to commence an arbitration pursuant to this Agreement, a Party shall serve a written arbitration demand (the "**Demand**") on the other Party by hand delivery or via overnight delivery service (in a manner that provides proof of receipt by the respondent). The Demand shall be served before expiration of the applicable statute of limitations. The Demand shall describe the arbitrable dispute in sufficient detail to advise the respondent of the nature and basis of the dispute, state the date on which the dispute first arose, list the names and addresses of every person whom the claimant believes does or may have information relating to the dispute, including a short description of the matter(s) about which each person is believed to have knowledge, and state with particularity the relief requested by the claimant, including a specific monetary amount, if the claimant seeks a monetary award of any kind.

(c) If respondent does not provide a written Response to the Demand, all allegations will be considered denied.

(d) The Parties shall confer in good faith to attempt to agree upon a suitable arbitrator, and if unable to do so, they will select an arbitrator from the AAA's employment arbitration panel for the area.

(e) Any award or portion thereof, whether preliminary or final, will be based on and accompanied by a written opinion signed by the arbitrator and will contain findings of fact, conclusions of law and the reasons upon which the award or portion thereof is based.

9. Employee understands, agrees, and consents to this binding arbitration provision, and Employee and the Company hereby each expressly waive the right to trial by jury of any claims arising out of Employment with the Company.

10. *By initialing below, Employee acknowledges that Employee has read, understands, agrees and consents to this binding Arbitration Agreement, including the class action waiver. Employee's Initials: O.B.*

The Parties have executed this Arbitration Agreement, which is effective as of the Effective Date written above.

**Employee:**

Signature:

/s/ Bershadsky

Printed Name: Oleg Bershadsky

Address:

\*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 2/21/19

**For Company:**

Signature:

/s/ Michael Fosnaugh

Printed Name: Michael Fosnaugh

Address:

180 N. Stetson Ave., Suite 4000

Chicago, IL 60601

Title: \_\_\_\_\_

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

**EXHIBIT C**

(To the Letter dated February 14, 2019)

**Certain Definitions**

**“Cause”** means any of the following:

- (i) a material failure by you to perform your responsibilities or duties to the Company under this letter or those other responsibilities or duties as reasonably requested from time to time by the Board, after ‘written demand for performance has been given by the Board that identifies how you have not performed your responsibilities or duties and such failure, if susceptible of cure, has not been cured for a period of twenty (20) days after you receive notice from the Board;
- (ii) your engagement in illegal conduct or gross misconduct that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iii) your commission or conviction of, or plea of guilty or *nolo contendere* to, a felony, a crime involving moral turpitude or any other act or omission that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iv) a material breach of your duty of loyalty to the Company or your material breach of the Company’s written code of conduct and business ethics or Sections 4 through 10 and 16 of the Employment and Restrictive Covenants Agreement, or any other material written agreement between you and the Company;
- (v) fraud, gross negligence or repetitive negligence committed without regard to written corrective direction in the course of discharge of your duties as an employee; or
- (vi) excessive and unreasonable absences from your duties for any reason (other than an authorized leave or as a result of your Disability (as defined below)).

**“Disability”** means your inability to perform the essential functions of your job, with or without accommodation, as a result of any mental or physical disability or incapacity for an extended period of not less than one hundred eighty (180) calendar days, as determined in the sole discretion of the Company.

**“Good Reason”** means that you voluntarily terminate your employment with the Company if there should occur without your written consent:

- (i) a material, adverse change in your duties or responsibilities with the Company;

- (ii) (A) any reduction in your then current Base Salary that is not implemented in conjunction with a general decrease affecting the executive management team or (B) a reduction in your then current Base Salary by more than ten percent (10%) in conjunction with a general decrease affecting the entire executive management team;
- (iii) the material breach by the Company of this letter or any other employment agreement between you and the Company; or
- (iv) a relocation of more than fifty (50) miles;

provided, however, that in each case above, you must (a) first provide written notice to the Company of the existence of the Good Reason condition within thirty (30) days of the initial existence of such event, specifying the basis for your belief that you are entitled to terminate your employment for Good Reason, (b) give the Company an opportunity to cure any of the foregoing within thirty (30) days following your delivery to the Company of such written notice, and (c) actually resign your employment within thirty (30) days following the expiration of the Company's thirty (30) day cure period.

All references to the Company in these definitions shall include parent, subsidiary, affiliate and successor entities of the Company.

## AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT

This Amendment No. 1 (this “**Amendment**”) to the Employment Agreement (the “**Original Employment Agreement**”) dated February 14, 2019 by and between Integral Ad Science, Inc. (the “**Company**”) and Oleg Bershadsky (“**Employee**”), is made and entered into as of October 21, 2020, by and between the Company and the Employee. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Original Employment Agreement.

**WHEREAS**, the undersigned wish to amend the Original Employment Agreement as set forth herein.

**NOW, THEREFORE**, in consideration of the mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

**1. Amendments to the Original Employee Agreement.**

(a) Section 1 of the Original Employment Agreement is hereby amended by deleting the words “Senior Vice President, Sales Strategy and Business Operations” and replacing them with the words “Chief Operating Officer”.

(b) Section 2 of the Original Employment Agreement is hereby amended by deleting the words “Your starting base salary will be \$325,000” and replacing them with the words “Effective as of October 1, 2020, your base salary will be \$360,000”.

(c) Section 3 of the Original Employment Agreement is hereby amended by deleting and replacing Section 3 in its entirety with the following:

“3. With respect to your bonus opportunities beginning on and after October 1, 2020, and for each calendar year bonus period beginning on January 1, 2021 thereafter, you will be eligible to receive a discretionary bonus of up to 40% of your then current Base Salary (the “**Bonus**”). The Bonus will be awarded at the sole discretion of the Board of Directors of the Company (the “**Board**”), based on the Board’s determination as to your achievement of predetermined thresholds which may include, but are not limited to, management by objectives (“**MBOs**”) and financial targets such as revenue, recurring revenue, gross profit and/or EBITDA targets. In addition, with respect to your bonus opportunities beginning on and after October 1, 2020 and for each calendar year bonus period beginning on January 1, 2021 thereafter, you will also be eligible for an additional discretionary bonus of up to 10.0% of your then current Base Salary, awarded at the sole discretion of the Board based on the Board’s determination as to your achievement of “stretch” targets (the “**Stretch Bonus**”). For the avoidance of doubt, your Bonus and Stretch Bonus for the fiscal year ending December 31, 2020 shall be calculated as follows: (i) the total Bonus opportunity for the period beginning on January 1, 2020 and ending on September 30, 2020 shall be \$73,125, (ii) the total Stretch Bonus opportunity for the period beginning on January 1, 2020 and ending on September 30, 2020 shall be \$24,375, (iii) the total Bonus opportunity for the period beginning on October 1, 2020 and ending on December 31, 2020 shall be \$36,000 and (iv) the total Stretch Bonus opportunity for the period October 1, 2020 to December 31, 2020 is \$27,000.



The bonus formulas, MBOs, performance milestones and all other elements of your bonus opportunities shall be established by the Board in its sole discretion, and communicated in writing (including by e-mail) to you from time to time. Any bonus awarded for a fiscal year shall be paid within thirty (30) days after the Board has received, reviewed and approved the applicable fiscal year's final audited financial statements. In any event, payment of any bonus that is awarded with respect to a fiscal year shall be paid in the calendar year following the fiscal year in which such bonus was awarded, subject, in each case, to your continued employment on the applicable payment date."

(d) Section 6 of the Original Employment Agreement is hereby amended to include: You will be eligible to receive that number of options to purchase Units (the "**Unit Options**") of Kavacha Topco, LLC ("**Topco**"), which Unit Options shall represent approximately another 0.15% of the fully-diluted equity securities of Topco at the time of issuance, bringing your total value to 0.30%. The incremental amount is subject to the same terms as the initial 0.15%.

## **2. Miscellaneous.**

(a) Except as expressly modified herein, the Original Employment Agreement (including the exhibits and schedules thereto) is unchanged and remains in fully force and effect, and the Original Employment Agreement is hereby ratified and confirmed in all respects, except that on or after the date of this Amendment all references in the Original Employment Agreement to "the Employment Agreement," "hereto," "hereof," "hereunder," or words of like import shall mean the Original Employment Agreement as amended by this Amendment.

(b) This Amendment and any dispute arising out of or relating to this Amendment shall be settled in accordance with the terms of the Original Employment Agreement.

(c) Facsimile transmission of any signed original document and/or retransmission of any signed facsimile transmission will be deemed the same as delivery of an original. This Amendment may be executed in counterparts, each of which when executed shall be deemed to be an original, and all of which shall constitute on and the same agreement.

(d) This Amendment shall be binding upon, and shall inure to the benefit of, the parties to this Amendment and their respective heirs, personal representatives, executors, successors and permitted assigns. The Original Employment Agreement, as amended by this Amendment, embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof.

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IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Amendment as of the date first written above.

INTEGRAL AD SCIENCE, INC.

By: \_\_\_\_\_  
Chief HR Officer

EMPLOYEE

By: /s/ Bershadsky  
Oleg Bershadsky

March 1, 2019

Tony Lucia  
c/o Integral Ad Science, Inc.  
95 Morton St, FL 8  
New York, NY 10014

Re: Employment with Integral Ad Science, Inc.

Dear Tony:

This letter sets forth the terms of your employment by Integral Ad Science, Inc. (the “**Company**”). We value the role that you can serve with the Company.

1. You will be the Chief Technology Officer of the Company, reporting to the Chief Executive Officer of the Company. In this capacity, you will have the responsibilities and duties consistent with such position.

2. Your starting base salary will be \$350,000.00 on an annualized basis, less deductions and withholdings required by law or authorized by you, and will be subject to review annually for any increases or decreases (the “**Base Salary**”); provided, however, that any decreases shall not be greater than ten percent (10%) of your then current Base Salary and will only be implemented in conjunction with a general decrease affecting the executive management team. Your Base Salary will be paid by the Company in regular installments in accordance with the Company’s general payroll practices as in effect from time to time.

3. With respect to your bonus opportunities for each bonus period beginning on and after January 1, 2019, you will be eligible to receive a discretionary bonus of up to 40% of your Base Salary (the “**Bonus**”). Your 2019 bonus will be paid on a pro rata basis. The Bonus will be awarded at the sole discretion of the Board of Directors of the Company (the “**Board**”), based on the Board’s determination as to your achievement of predetermined thresholds which may include, but are not limited to, management by objectives (“**MBOs**”) and financial targets such as revenue, recurring revenue, gross profit and/or EBITDA targets. In addition, with respect to each bonus period beginning on or after January 1, 2019, you will also be eligible each calendar year for an additional discretionary bonus of up to 10.0% of your Base Salary, awarded at the sole discretion of the Board based on the Board’s determination as to your achievement of “stretch” targets (the “**Stretch Bonus**”).

The bonus formulas, MBOs, performance milestones and all other elements of your bonus opportunities shall be established by the Board in its sole discretion, and communicated in writing (including by e-mail) to you from time to time. Any bonus awarded for a fiscal year shall be paid within thirty (30) days after the Board has received, reviewed and approved the applicable fiscal year’s final audited financial statements. In any event, payment of any bonus that is awarded with respect to a fiscal year shall be paid in the calendar year following the fiscal year in which such bonus was awarded, subject, in each case, to your continued employment on the applicable payment date.

In addition, you will receive a signing bonus equal to \$50,000, less deductions and withholdings required by law or authorized by you (the “**Signing Bonus**”), payable in a lump sum on the first regularly scheduled payroll period following the commencement of your employment with the Company. Notwithstanding the foregoing, the Signing Bonus shall be subject to repayment in full by you if, prior to the one (1) year anniversary of the commencement of your employment with the Company, your employment with the Company is terminated for any reason other than (i) by the Company without “Cause” (as defined below) or (ii) by you for “Good Reason” (as defined below).

4. You will also be eligible to participate in regular health, dental and vision insurance plans and other employee benefit plans established by the Company applicable to executive-level employees from time to time, so long as they remain generally available to the Company’s executive-level employees.

5. Your position will be based in New York, NY. Your duties may involve extensive domestic and international travel.

6. You will be eligible to receive that number of options to purchase Units (the “**Unit Options**”) of Kavacha Topco, LLC (“**Topco**”), which Unit Options shall represent approximately 0.6% of the fully-diluted equity securities of Topco at the time of issuance, subject to the following:

(a) All Unit Options will be subject to the terms (including the vesting and exercisability terms) as set forth in the Kavacha Topco, LLC 2018 Non-Qualified Unit Option Plan (the “**Option Plan**”) and a Unit Option Agreement to which you will be a party (the “**Unit Option Agreement**”). The grant of such Unit Options is also subject to Topco’s Board of Managers’ approval. Our intent to recommend such approval is not a promise of compensation and is not intended to create any obligation on the part of the Company or Topco. Further details on the Unit Options and any specific grant of Unit options to you will be provided upon approval of such grant by the Board of Topco.

(b) Your Unit Options, if granted, will vest as follows (it being understood that such vesting shall be subject to your continued employment by the Company through the applicable vesting event):

- (i) 66.67% of the Unit Options would be subject to time-based vesting over four (4) years, with 25% vesting upon the date that is twelve (12) months after the Vesting Commencement Date set forth in the Unit Option Agreement and an additional 6.25% of such Unit Options vesting at the end of each full three (3) calendar month period thereafter (the vesting of any such unvested time-based options would be accelerated upon a change of control of Topco, as defined in the Option Plan); and

- (ii) 33.33% of the Unit Options would vest if one or more equity buy-out investment funds managed or controlled by Vista Equity Partners Management, LLC, and any of such funds' respective portfolio companies (collectively, "**Vista**") received cumulative cash distributions or other cash proceeds, contributions and/or net sale proceeds in respect of the equity securities of Topco or its subsidiaries held by Vista or any loans provided to Topco or its subsidiaries by Vista ("**Vista's Return**") such that Vista's Return equals or exceeds three hundred percent (300%) of Vista's total investment in Topco and its subsidiaries (whether in exchange for equity, indebtedness or otherwise) (calculated pursuant to the formula set forth in the Unit Option Agreement).
- (iii) Notwithstanding anything in the Option Plan, the Unit Option Agreement or this letter to the contrary, in the event that such sale proceeds include non-cash consideration, the value of such non-cash consideration shall be determined by the Board in its good faith discretion in order to determine if the above vesting thresholds have been met. If such thresholds have been met, you will receive an equal proportion of your proceeds from the sale of any equity securities of the Company in such non-cash consideration.

7. There are some formalities that you need to complete as a condition of your continued employment:

- You must carefully consider and sign the Company's standard "Employment and Restrictive Covenants Agreement" (attached to this letter as **Exhibit A**). Because the Company and its affiliates are engaged in a continuous program of research, development, production and marketing in connection with their business, we wish to reiterate that it is critical for the Company and its affiliates to preserve and protect its proprietary information and its rights in inventions.
- So that the Company has proper records of inventions that may belong to you, we ask that you also complete Schedule 1 attached to **Exhibit A**.
- You and the Company mutually agree that any disputes that may arise regarding your employment will be submitted to binding arbitration by the American Arbitration Association. As a condition of your employment, you will need to carefully consider and voluntarily agree to the Mandatory Arbitration Agreement set forth in **Exhibit B**.

8. We also wish to remind you that, as a condition of your employment, you are expected to abide by Topco's, the Company's, and their direct and indirect subsidiaries' policies and procedures, which policies and procedures will be made available to you and may be amended from time to time at the Company's sole discretion, and employees will be notified of any amendments to such policies and procedures.

9. Your employment with the Company is at-will. The Company may terminate your employment at any time with or without notice, and for any reason or no reason. Notwithstanding any provision to the contrary contained in **Exhibit A**, you shall be entitled to terminate your employment with the Company at any time and for any reason or no reason by giving notice in writing to the Company of not less than four (4) weeks ("**Notice Period**"), unless otherwise agreed to in writing by you and the Company. In the event of such notice, the Company reserves the right, in its discretion, to give immediate effect to your resignation in lieu of requiring or allowing you to continue work throughout the Notice Period; provided that the Company pays your Base Salary in lieu of the Notice Period. You shall continue to be an employee of the Company during the Notice Period, and thus owe to the Company the same duty of loyalty you owed it prior to giving notice of your termination. The Company may, during the Notice Period, relieve you of all of our duties and prohibit you from entering the Company's offices.

10. If the Company terminates your employment without "**Cause**" or you voluntarily terminate your employment for a "Good Reason", you will be entitled to receive a severance payment (the "**Severance Pay**") equal to 6 months of your then applicable Base Salary, payable in equal installments over the 6 month period following your termination, and, at the sole discretion of the Board, a pro-rated portion of any Bonus that may have been awarded to you during the fiscal year in which such termination occurs, less deductions and withholdings required by law or authorized by you and subject to (A) your timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("**COBRA**") and (B) your continued copayment of premiums at the same level and cost to you as if you were an employee of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers you for a period of zero to three months at the Company's expense, provided that you are eligible and remain eligible for COBRA coverage; provided, further, that the Company's obligation to subsidize COBRA premiums is contingent on the Company determining that such subsidies would reasonably be expected to not result in the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that you obtain other employment that offers group health benefits, such continuation of coverage by the Company under this Section 10 shall immediately cease, subject to the following:

(a) For purposes of this section, "**Cause**" and "**Good Reason**" have the meanings set forth in **Exhibit C** attached hereto.

(b) The Company will not be required to pay the Severance Pay unless (i) you execute and deliver to the Company an agreement (“**Release Agreement**”) in a form satisfactory to the Company releasing from all liability (other than as set forth below) the Company, each member of the Company, and any of their respective past or present officers, directors, managers, employees investors, agents or affiliates, including Vista, and you do not revoke such Release Agreement during any applicable revocation period, (ii) such Release Agreement is executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the date of your termination of employment, and (iii) you have not breached the provisions of Sections 4 through 10 and 16 of Exhibit A, the terms of this letter or any agreement between you and the Company or the provisions of the Release Agreement. If the Release Agreement is executed and delivered and no longer subject to revocation as provided in the preceding sentence, then the Severance Pay shall be paid in accordance with the Company’s general payroll practices at the time of termination, and commencing on the first payroll date occurring after the effective date of the Release Agreement (if permitted by Code Section 409A), or otherwise commencing on the first payroll date occurring after the sixtieth (60th) day following your termination of employment. The first payment of Severance Pay shall include payment of all amounts that otherwise would have been due prior thereto under the terms of this letter had such payments commenced immediately upon your termination of employment, and any payments made thereafter shall continue as provided herein. The Release Agreement will not require you to release (A) the payments and benefits contemplated by this letter, (B) any rights to indemnification pursuant to any statute or governing documents of the Company, and (C) any claims which by law cannot be waived in a private agreement between an employer and employee.

11. You shall not make any statement that would libel, slander or disparage the Company, any member of the Company or its affiliates or any of their respective past or present officers, directors, managers, stockholders, employees or agents; provided that the foregoing will not prevent you from making truthful statements: (a) to your legal counsel, or (b) as required by lawfully compelled testimony, and provided that you notify the Company in advance of any such testimony and cooperate with the Company’s reasonable efforts with respect to such testimony, unless doing so would violate any lawful order.

12. While we look forward to a long and profitable relationship, you will be an at-will employee of the Company as described in Section 9 of this letter and Section 3 of Exhibit A. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are, and should be regarded by you as, ineffective. Further, your participation in any benefit program or other Company program, if any, is not to be regarded as assuring you of continuing employment for any particular period of time.

13. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation establishing your identity and demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, you may contact our personnel office.

14. It should also be understood that all offers of employment are conditioned on the Company's completion of a satisfactory background check, including a drug screening process. The Company reserves the right to perform background checks during the term of your employment, subject to compliance with applicable laws. You will be required to execute forms authorizing such a background check.

15. This letter along with its Exhibits and the documents referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter of this letter, and supersede all prior understandings and agreements, including but not limited to severance, employment or similar agreements, whether oral or written, between or among you and the Company or its predecessor with respect to the specific subject matter hereof.

16. In the event of a conflict between the terms of this letter and the provisions of Exhibit A, the terms of this letter shall prevail.

17. Notwithstanding any other provision herein, the Company shall be entitled to withhold from any amounts otherwise payable hereunder any amounts required to be withheld in respect to federal, state or local taxes.

18. The intent of the parties is that payments and benefits under this letter be exempt from or comply with Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively "**Code Section 409A**") and, accordingly, to the maximum extent permitted, this letter shall be interpreted to be in compliance therewith. In addition, the following shall apply:

(a) In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on you by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this letter providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this letter, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

(c) Notwithstanding anything to the contrary in this Agreement, if you are deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (i) the expiration of the six (6)-month period measured from the date of such "separation from service", and (ii) the date of your death, to the extent required under Code Section 409A.



(d) For purposes of Code Section 409A, your right to receive any installment payments pursuant to this letter shall be treated as a right to receive a series of separate and distinct payments. To the extent that reimbursements or other in-kind benefits under this letter constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (i) all such expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by you, (ii) any right to such reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(e) Notwithstanding any other provision of this letter to the contrary, in no event shall any payment under this letter that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

19. The effective date of employment under the terms of this offer is March 1st, 2019. If you decide to accept the terms of this letter, and I hope you will, please signify your acceptance of these conditions of employment by signing and dating the enclosed copy of this letter and its **Exhibit A** and returning them to me, not later than April 1st, 2019.

Should you have anything that you wish to discuss, please do not hesitate to contact me.

By signing this letter and Exhibit A attached hereto, you represent and warrant that you have had the opportunity to seek the advice of independent counsel before signing and have either done so, or have freely chosen not to do so, and either way, you sign this letter voluntarily.

Very truly yours,

---

Michael Fosnaugh  
Authorized Signatory

---

I have read and understood this letter and Exhibit A attached and hereby acknowledge, accept and agree to the terms set forth therein.

/s/ Tony Lucia

Date signed: 4/1/2019

Signature  
Name: Tony Lucia

**LIST OF EXHIBITS**

Exhibit A: Employment and Restrictive Covenants Agreement

Exhibit B: Mandatory Arbitration Agreement

Exhibit C: Certain Definitions

**EXHIBIT A**

**(To the Letter dated March 1st, 2019)**

**Employment and Restrictive Covenants Agreement**

This Employment and Restrictive Covenants Agreement (the “**Agreement**”) is made effective April 1st, 2019 (the “**Effective Date**”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as “**Company**”) and Tony Lucia (hereafter referenced as “**Employee**” and together with the Company, each a “**Party**” and collectively, the “**Parties**”).

1. **PURPOSE.** In connection with Employee’s employment by the Company (the “**Employment**”), Employee and the Company wish to set forth the terms and conditions under which Employee will be employed by the Company, and certain restrictions applicable to Employee as a result of the Employment with the Company. This Agreement is intended: to allow the parties to engage in the Employment, with the Company giving Employee access to the Company’s Customers, employees, and Confidential Information (as those terms are defined below); to protect the Company’s business, information, and relationships against unauthorized competition, solicitation, recruitment, use, or disclosure; and to clarify Employee’s legal rights and obligations, to the extent not set forth in the letter to which this Agreement is attached (the “**Letter**”). Capitalized terms used but not defined in this Agreement shall have the meanings indicated in the Letter or any other exhibit to the Letter, as applicable.

2. **THE BUSINESS OF THE COMPANY.** The Company is engaged in the business of data collection and analytics, research and design, development, sales, licensing or marketing, relating to the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing (collectively the “**Business**” of the Company). Employee acknowledges that the Company has a legitimate interest in protecting its Confidential Information, trade secrets, customer relationships, customer goodwill, employee relationships, and the special investment and training given to Employee.

3. **“AT-WILL” EMPLOYMENT AND OTHER ACKNOWLEDGEMENTS.**

(a) Employee shall perform such duties or responsibilities as assigned to Employee from time to time. The Parties acknowledge that Employee’s Employment by the Company at all times is and shall remain “at will,” and may be terminated by either Party at any time, with or without notice and with or without Cause. Employee acknowledges that but for Employee’s execution of this Agreement, Employee would not be employed by the Company.

(b) Employee acknowledges that Employee’s duties shall entail Employee’s contact with the Company’s Customers to whom Employee is introduced, to which Employee is assigned, whose accounts Employee shall oversee, or for which Employee otherwise is directly or indirectly responsible.

(c) Employee further acknowledges that Employee will be given the use of the Company's Confidential Information. Employee acknowledges that the Company's goodwill with its Customers and Prospective Customers, as well as the Company's Confidential Information, are among the most valuable assets of the Company's Business. Accordingly, Employee hereby agrees, acknowledges, covenants, represents and warrants that at all times during Employee's Employment with the Company, Employee will faithfully perform Employee's duties with the utmost loyalty to the Company, and will owe a fiduciary duty and duty of loyalty to the Company. Employee agrees that during the Employment, Employee will do nothing disloyal or adverse to the Company or the Company's Business, or which creates any conflict of interest with the Company or the Business of the Company. Employee will abide by the policies of the Company at all times during Employee's Employment, and acknowledges that the Company may unilaterally change its policies, practices, and procedures at any time, at the sole discretion of the Company.

(d) Employee understands and acknowledges that all equipment, communication devices, physical property, documents, information, data bases, furniture, accessories, premises, and any other items provided to Employee while employed by Company, shall at all times remain the sole property of the Company, and as such, Employee shall have no reasonable expectation of privacy when using such items.

(e) Employee acknowledges that Employee will be afforded an investment of time, training, money, trust, exposure to the public, or exposure to Customers, vendors, suppliers, investors, joint venture partners, or other business relationships of the Company during the course of the Employment, and Employee's position gives Employee a high level of influence or credibility with the Company's Customers, vendors, suppliers, or other business relationships. Employee understands and acknowledges that Employee will possess specialized skills, learning, abilities, Customer contacts, or Customer information by reason of working for the Company.

(f) Employee acknowledges that, through Employee's Employment with the Company, Employee may customarily and regularly solicit Customers and/or Prospective Customers for the Company, and/or engage in making sales or obtaining orders or contracts for products or services.

(g) Employee understands that the Company has specifically instructed him/her to refrain from bringing to the Company any documents or materials or intangibles of a former employer or third party that are not in the public domain, or have not been legally transferred or licensed to the Company, or that might constitute the confidential information or trade secrets of a prior employer. Employee agrees that when performing duties on behalf of the Company, he/she will not breach any invention assignment, proprietary information, confidentiality, noncompetition, nonsolicitation or other similar agreement with any former employer or other party.

4. **DUTY OF LOYALTY.** Employee understands that his/her Employment and provision of services on behalf of the Company requires Employee's undivided attention and effort. Accordingly, during Employee's Employment, Employee agrees that he/she will not, without the Company's express prior written consent, (a) engage in any **other** business activity, unless such activity is for passive investment purposes not otherwise prohibited by this Agreement and will not require Employee to render any services, (b) be engaged or interested, directly or indirectly, alone or with others, in any trade, business or occupation in competition with the Company, (c) take steps, alone or with others, to engage in competition with the Company in the future, or (d) appropriate for Employee's own benefit business opportunities pertaining to the Company's Business.

#### 5. **INVENTIONS.**

(a) **Prior Inventions.** Attached hereto as Schedule 1 is a complete and accurate list describing all Inventions (as defined below) which were conceived, discovered, created, invented, developed and/or reduced to practice by Employee prior to the commencement of his/her Employment that have not been legally assigned or licensed to the Company (collectively: "**Prior Inventions**"). If there are no such Prior Inventions, Employee shall initial Schedule 1 to indicate Employee has no Prior Inventions to disclose.

Employee acknowledges and agrees that if in the course of Employee's Employment, Employee incorporates or causes to be incorporated into a Company product, service, process, file, system, application or program a Prior Invention, Employee will grant the Company a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, offer to sell, sell or otherwise distribute such Prior Invention as part of or in connection with such product, process, file, system, application or program.

(b) **Disclosure and Assignment of Inventions.** Employee agrees to promptly disclose to the Company in writing all Inventions (as defined below) that Employee conceives, develops and/or first reduces to practice or creates, either alone or jointly with others, during the period of Employee's Employment with the Company, and for a period of three (3) months thereafter, whether or not in the course of Employee's Employment. Employee further assigns and agrees to assign all of Employee's rights, title and interest in the Inventions to the Company. Employee understands that this Section 5(b) does not apply to Inventions that the Employee developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets, except for those Inventions that either: (i) relate at the time of conception or use to the Company's business, or actual or demonstrably anticipated research or development; or (ii) result from any work the employee performs for the Company.

(c) In the event that the Company is unable for any reason to secure Employee's signature to any document required to file, prosecute, register or memorialize the ownership and/or assignment of any Invention, Employee hereby irrevocably designates and appoints the Company's duly authorized officers and agents as Employee's agents and attorneys-in-fact to act for and on Employee's behalf and stand to (i) execute, file, prosecute, register and/or memorialize the assignment and/or ownership of any Invention; (ii) to execute and file any documentation required for such enforcement and (iii) do all other lawfully permitted acts to further the filing, prosecution, registration, memorialization of assignment and/or ownership of, issuance of and enforcement of any Inventions, all with the same legal force and effect as if executed by Employee.

(d) **Use of Inventions.** Employee acknowledges that he/she is not entitled to use the Inventions for Employee's own benefit or the benefit of anyone except the Company without written permission from the Company, and then only subject to the terms of such permission. Employee further agrees that Employee will communicate to the Company, as directed by the Company, any facts known to Employee and testify in any legal proceedings, sign all lawful papers, make all rightful oaths, execute all divisionals, continuations, continuations-in-part, foreign counterparts, or reissue applications, all assignments, all registration applications and all other instruments or papers to carry into full force and effect, the assignment, transfer and conveyance hereby made or to be made and generally do everything possible for title to the Inventions to be clearly and exclusively held by the Company as directed by the Company.

(e) For purposes of this Agreement, "**Inventions**" means, without limitation, any and all formulas, algorithms, processes, techniques, concepts, designs, developments, technology, ideas, patentable and unpatentable inventions and discoveries, copyrights and works of authorship in any media now known or hereafter invented (including computer programs, source code, object code, hardware, firmware, software, mask work, applications, files, internet site content, databases and compilations, documentation and related items) patents, trade and service marks, logos, trade dress, corporate names and other source indicators and the good will of any business symbolized thereby, trade secrets, know-how, confidential and proprietary information, documents, analyses, research and lists (including current and potential customer and user lists) and all applications and registrations and recordings, improvements and licenses that (i) relate in any manner, whether at the time of conception, design or reduction to practice, to the Company's Business or its actual or demonstrably anticipated research or development; (ii) result from any work performed by Employee on behalf of the Company; or (iii) result from the use of the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets.

Employee recognizes that Inventions or proprietary information relating to Employee's activities while working for the Company, and conceived, reduced to practice, created, derived, developed, or made by Employee, alone or with others, within three (3) months after termination of Employee's Employment may have been conceived, reduced to practice, created, derived, developed, or made, as applicable, in significant part while Employee was employed by the Company. Accordingly, Employee agrees that such Inventions and proprietary information shall be presumed to have been conceived, reduced to practice, created, derived, developed, or made, as applicable, during Employee's Employment with the Company and are to be assigned to the Company pursuant to this Agreement and applicable law unless Employee has established the contrary by clear and convincing evidence.

(f) **Work for Hire.** Employee acknowledges and agrees that any copyrightable works prepared by Employee within the scope of Employee's Employment are "works made for hire" under the Copyright Act of 1976 and that the Company will be considered the author and owner of such copyrightable works. Any copyrightable works the Company specially commissions from Employee while Employee is employed also shall be deemed a work made for hire under the Copyright Act, and if for any reason such work cannot be so designated as a work made for hire, Employee agrees to and hereby assigns to the Company, as directed by the Company, all right, title and interest in and to said work(s). Employee further agrees to and hereby grants the Company, as directed by the Company, a non-exclusive, royalty-free, irrevocable, perpetual, worldwide, sublicensable and assignable license to make, have made, copy, modify, make derivative works of, use, publicly perform, display or otherwise distribute any copyrightable works Employee creates during Employee's Employment. Employee understands that this Section 5(f) does not apply to Inventions that the Employee developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, Confidential Information or Trade Secrets, except for those Inventions that either: (i) relate at the time of conception or use to the Company's business, or actual or demonstrably anticipated research or development; or (ii) result from any work the employee performs for the Company.

(g) **Assignment of Other Rights.** In addition to the foregoing assignment of Inventions to the Company, Employee hereby irrevocably transfers and assigns to the Company: (i) all worldwide patents, patent applications, copyrights, mask works, trade secrets and other intellectual property rights in any Inventions; and (ii) any and all "Moral Rights" (as defined below) that Employee may have in or with respect to any Inventions. Employee also hereby forever waives and agrees never to assert any and all Moral Rights Employee may have in or with respect to any Inventions, even after termination of Employee's Employment on behalf of the Company. "**Moral Rights**" means any rights to claim authorship of any Inventions, to object to or prevent the modification of any Inventions, or to withdraw from circulation or control the publication or distribution of any Inventions, and any similar right, existing under applicable judicial or statutory law of any country in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a "moral right."

(h) **Applicability to Past Activities.** To the extent Employee has been engaged to provide services by the Company or its predecessor for a period of time before the effective date of this Agreement (the "**Prior Engagement Period**"), Employee agrees that if and to the extent that, during the Prior Engagement Period: (i) Employee received access to any information from or on behalf of the Company that would have been proprietary information if Employee had received access to such information during the period of Employee's Employment with the Company under this Agreement; or (ii) Employee conceived, created, authored, invented, developed or reduced to practice any item, including any intellectual property rights with respect thereto, that would have been an Invention if conceived, created, authored, invented, developed or reduced to practice during the period of Employee's Employment with the Company under this Agreement, then any such information shall be deemed proprietary information hereunder and any such item shall be deemed an Invention hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.

## 6. NONDISCLOSURE AGREEMENT.

(a) Employee expressly agrees that, throughout the term of Employee's Employment with the Company and at all times following the termination of Employee's Employment from the Company, for so long as the information remains confidential, Employee will not use or disclose any Confidential Information disclosed to Employee by the Company, other than for the purpose to carry out the Employment for the benefit of the Company (but in all cases preserving confidentiality by following the Company's policies and obtaining appropriate non-disclosure agreements). Employee shall not, directly or indirectly, use or disclose any Confidential Information to third parties, nor permit the use by or disclosure of Confidential Information by third parties. Employee agrees to take all reasonable measures to protect the secrecy of and avoid disclosure or use of Confidential Information in order to prevent it from falling into the public domain or into the possession of any Competing Business or any persons other than those persons authorized under this Agreement to have such information for the benefit of the Company. Employee agrees to notify the Company in writing of any actual or suspected misuse, misappropriation, or unauthorized disclosure of Confidential Information that may come to Employee's attention. Employee acknowledges that if Employee discloses or uses knowledge of the Company's Confidential Information to gain an advantage for Employee, for any Competing Business, or for any other person or entity other than the Company, such an advantage so obtained would be unfair and detrimental to the Company.

(b) Employee expressly agrees that Employee's duty of non-use and non-disclosure shall continue indefinitely for any information of the Company that constitutes a Trade Secret under applicable law, so long as such information remains a Trade Secret.

**(c) Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.**

**(d) Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the Parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.**



**7. RETURN OF COMPANY PROPERTY AND MATERIALS.** Any Confidential Information, trade secrets, materials, equipment, information, documents, electronic data, or other items that have been furnished by the Company to Employee in connection with the Employment are the exclusive property of the Company and shall be promptly returned to the Company by Employee, accompanied by all copies of such documentation, immediately when the Employment has been terminated or concluded, or otherwise upon the written request of the Company. Employee shall not retain any copies of any Company information or other property after the Employment ends, and shall cooperate with the Company to ensure that all copies, both written and electronic, are immediately returned to the Company or permanently deleted, if in electronic form. Employee shall cooperate with Company representatives and allow such representatives to oversee the process of erasing and/or permanently removing any such Confidential Information or other property of the Company from any computer, personal digital assistant, phone, or other electronic device, or any cloud-based storage account or other electronic medium owned or controlled by Employee.

**8. LIMITED NONCOMPETE AGREEMENT.** Employee expressly agrees that Employee will not (either directly or indirectly, by assisting or acting in concert with others) Compete with the Company during the Restricted Period within the Restricted Territory. Notwithstanding the foregoing, nothing herein shall prohibit Employee from:

(a) being a passive owner:

(i) of not more than one percent (1%) of the outstanding stock of any class of securities of a publicly-traded corporation engaged in Competitive Services,

(ii) of not more than five percent (5%) of the outstanding limited partnership interests or similar securities of any unaffiliated, third-party professional investment fund or investment vehicle, which shall not be deemed to be engaging in a Competitive Business solely by reason the business of any of its portfolio companies, so long as, in each instance, Employee has no other participation whatsoever in such investment fund or investment vehicle or their respective portfolio companies; or

(b) accepting employment or other engagement with any person or entity that has several divisions, only certain of which provide Competitive Services, if Employee's employment or engagement is with a division that does not provide Competitive Services, and Employee (i) informs such employing or engaging person or entity of the restrictions and obligations set forth herein, (ii) does not perform any services relating to the Competitive Services during the Restricted Period, and (iii) otherwise complies with the terms of this Agreement.

**9. NONSOLICITATION OF CUSTOMERS / PROSPECTIVE CUSTOMERS.** Employee expressly agrees that during the Restricted Period, Employee will not (either directly or indirectly, by assisting or acting in concert with others), on behalf of himself/herself or any other person, business, entity, including but not limited to on behalf of a Competing Business, call upon, solicit, or attempt to call upon or solicit any business from any Customer or Prospective Customer for the purpose of providing services substantially similar to the Services.

**10. NONRECRUITMENT OF EMPLOYEES.** Employee expressly agrees that during the Restricted Period, Employee will not, on behalf of himself/herself or any other person, business, or entity (either directly or indirectly, by assisting or acting in concert with others), solicit, recruit or hire, or attempt to solicit, recruit or hire, any of the Company's employees, or encourage any of the Company's employees to leave employment with the Company to work for a Competing Business. For purposes of this Section 10, "Company employee" means any then current employee of the Company or any individual who was an employee of the Company in the twelve (12) month period preceding the solicitation, recruitment or hiring (or attempt thereof) by Employee.

**11. REASONABLENESS OF RESTRICTIONS.** Employee agrees that the obligations set forth in this Agreement are necessary and reasonable in order to protect the Company's legitimate business interests and (without limiting the foregoing) that the obligations set forth in Sections 8, 9 and 10 are necessary and reasonable in order to protect the Company's legitimate business interests in protecting its Confidential Information, Trade Secrets, customer and employee relationships and the goodwill associated therewith.

**12. REMEDIES; INJUNCTIVE RELIEF; TOLLING.**

(a) Employee expressly agrees that due to the unique nature of the Company's Confidential Information, and its relationships with its Customers and other employees, monetary damages would be inadequate to compensate the Company for any breach by Employee of the covenants and agreements set forth in this Agreement. Accordingly, Employee agrees and acknowledges that any such violation or threatened violation shall cause irreparable injury to the Company and that, in addition to any other remedies that may be available in law, in equity, or otherwise, the Company shall be entitled: (i) to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach by Employee, without the necessity of proving actual damages; and (ii) to be indemnified by Employee from any loss or harm; and (iii) to recover any reasonable costs or attorneys' fees, arising out of or in connection with any breach by Employee or enforcement action relating to Employee's obligations under this Agreement; provided that in any such action in which the Company does not prevail, Employee shall be entitled to recover his/her reasonable costs or attorneys' fees, arising out of or in connection therewith.

(b) Notwithstanding the arbitration provisions contained herein or in the Letter, or anything else to the contrary in this Agreement, Employee understands that the violation of any restrictive covenants of this Agreement may result in irreparable and continuing damage to the Company for which monetary damages will not be sufficient, and agrees that Company will be entitled to seek, in addition to its other rights and remedies hereunder or at law, and both before or while an arbitration is pending between the parties under this Agreement, a temporary restraining order, preliminary injunction or similar

injunctive relief from a court of competent jurisdiction in order to preserve the status quo or prevent irreparable injury pending the full and final resolution of the dispute through arbitration, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned injunctive relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief through arbitration proceedings. This Section shall not be construed to limit the obligation for either party to pursue arbitration.

(c) The Restricted Period as defined in this Agreement shall be extended by the length of any actual breach or violation of the restrictive covenants of this Agreement.

13. **DEFINITIONS.** For all purposes throughout this Agreement, the terms defined below shall have the respective meanings specified in this Section.

(a) **“Customer”** of the Company shall mean any business or entity with which Employee had Material Contact, for the purpose of providing Services, during the twelve (12) months preceding Employee’s termination date.

(b) **“Compete”** shall mean to provide Competitive Services, whether Employee is acting on behalf of himself/herself, or in conjunction with or in concert with any other entity, person, or business, including activities performed while working for or on behalf of a Customer.

(c) **“Competitive Services”** shall mean the business of data collection and analytics, research and design, development, sales, licensing or marketing, relating to the provision of ad verification and related optimization services and software and/or the provision of related products, services and solutions, including a continuous program of research, development, production and marketing, conducted, authorized, or offered by the Company or any predecessor within the two (2) years prior to the termination of Employee’s Employment.

(d) **“Competing Business”** shall mean any entity, including but not limited to any person, company, partnership, corporation, limited liability company, association, organization or other entity, that provides Competitive Services.

(e) **“Confidential Information”** shall mean sensitive business information having actual or potential value to the Company because it is not generally known to the general public or ascertainable by a Competing Business, and which has been disclosed to Employee, or of which Employee will become aware, as a consequence of the Employment with the Company, including any information related to: the Company’s investment strategies, management planning information, business plans, operational methods, market studies, marketing plans or strategies, patent information, business acquisition plans, past, current and planned research and development, formulas, methods, patterns, processes, procedures, instructions, designs, inventions, operations, engineering, services, drawings, equipment, devices, technology, software systems, price lists, sales

reports and records, sales books and manuals, code books, financial information and projections, personnel data, names of customers, customer lists and contact information, customer pricing and purchasing information, lists of targeted prospective customers, supplier lists, product/service and marketing data and programs, product/service plans, product development, advertising campaigns, new product designs or roll out, agreements with third parties, or any such similar information.

Confidential Information shall also include any information disclosed to the Company by a third party (including, but not limited to, current or prospective Customers) that the Company is obliged to treat as confidential.

Confidential Information may be in written or non-written form, as well as information held on electronic media or networks, magnetic storage, cloud storage service, or other similar media. The Company has invested and will continue to invest extensive time, resources, talent, and effort to develop its Confidential Information, all of which generates goodwill for the Company. Employee acknowledges that the Company has taken reasonable and adequate steps to control access to the Confidential Information and to prevent unauthorized disclosure, which could cause injury to the Company. This definition shall not limit any broader definition of "confidential information" or any equivalent term under applicable state or federal law.

(f) **"Material Contact"** shall mean actual contact between Employee and a Customer with whom Employee dealt on behalf of the Company; or whose dealings with the Company were coordinated or supervised by Employee; or who received goods or services from the Company that resulted in payment of commissions or other compensation to Employee; or about whom Employee obtained Confidential Information because of Employee's Employment with the Company.

(g) **"Prospective Customer"** shall mean any business or entity with whom Employee had Material Contact, for the purpose of attempting to sell or provide Services, and to whom Employee provided a bid, quote for Services, or other Confidential Information of the Company, during the twelve (12) months preceding Employee's termination date.

(h) **"Restricted Period"** shall mean the entire term of Employee's Employment with the Company and a one (1) year period immediately following the termination of Employee's Employment, unless otherwise delineated or described in the "end notes and exceptions" at the end of this Agreement.

(i) **"Restricted Territory"** shall mean the geographic area in which or with respect to which Employee provided or attempted to provide any Services or performed operations on behalf of the Company as of the date of termination or during the twelve (12) months preceding Employee's termination date.

(j) **“Trade Secrets”** shall mean the business information of the Company that is competitively sensitive and which qualifies for trade secrets protection under applicable trade secrets laws, including but not limited to the Defend Trade Secrets Act. This definition shall not limit any broader definition of “trade secret” or any equivalent term under any applicable local, state or federal law.

(k) **“Services”** shall mean the types of work product, processes and work-related activities relating to the Business of the Company performed by Employee during the Employment.

14. **RESERVED.**

15. **NOTICE OF VOLUNTARY TERMINATION OF EMPLOYMENT.** Unless otherwise stated in the Letter, Employee agrees to use reasonable efforts to provide the Company fourteen (14) days written notice of Employee’s intent to terminate Employee’s Employment; provided, however, that this provision shall not change the at-will nature of the employment relationship between Employee and the Company. It shall be within the Company’s sole discretion to determine whether Employee should continue to perform services on behalf of the Company during this notice period.

16. **NON-DISPARAGEMENT.** During and after Employee’s Employment with the Company, except for truthful statements compelled or required by law, Employee agrees he/she shall not disparage the Company, its Customers and suppliers or their respective officers, directors, agents, employees, attorneys, shareholders, successors or assigns or their respective products or services, in any manner (including but not limited to, verbally or via hard copy, websites, blogs, social media forums or any other medium); provided, however, that nothing in this Section 16 shall prevent Employee from: engaging in concerted activity relative to the terms and conditions of Employee’s Employment and in communications protected under the National Labor Relations Act, filing a charge or providing information to any governmental agency, or from providing information in response to a subpoena or other enforceable legal process or as otherwise required by law.

17. **NOTIFICATION OF NEW EMPLOYER.** Before Employee accepts employment or enters into any consulting, independent contractor, or other professional or business engagement with any other person or entity while any of the provisions of Sections 8, 9 or 10 of this Agreement are in effect, Employee will provide such person or entity with written notice of the provisions of Sections 8, 9 and/or 10 and will deliver a copy of that notice to the Company. While any of Sections 8, 9 and/or 10 of this Agreement are in effect, Employee agrees that, upon the request of the Company, Employee will furnish the Company with the name and address of any new employer or entity for whom Employee will provide contractor or consulting services, as well as the capacity in which Employee will be employed or otherwise engaged. Employee hereby consents to the Company’s notifying Employee’s new employer about Employee’s responsibilities, restrictions and obligations under this Agreement.

18. **WITHHOLDING.** To the extent allowed by applicable law, Employee agrees to allow the Company to deduct from the final paycheck(s) any amounts due as a result of the Employment, including, but not limited to, any expense advances or business charges incurred on behalf of the Company, charges for property damaged or not returned when requested, and any other charges incurred that are payable to the Company. Employee agrees to execute any authorization form as may be provided by Company to effectuate this provision.

19. **NO INTELLECTUAL PROPERTY RIGHTS GRANTED.** Nothing in this Agreement shall be construed as granting to Employee any rights under any patent, copyright, or other intellectual property right of the Company, nor shall this Agreement grant Employee any rights in or to Confidential Information of the Company other than the limited right to review and use such Confidential Information solely for the purpose of participating in the Employment for the benefit of the Company.

20. **SUCCESSORS AND ASSIGNS.** This Agreement will be binding upon Employee's heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, its assigns and licensees. This Agreement, and Employee's rights and obligations hereunder, may not be assigned by Employee; however, the Company may assign its rights hereunder without Employee's consent, in connection with any sale, transfer or other disposition of any or all of its business or assets.

21. **SEVERABILITY AND REFORMATION.** Employee and the Company agree that if any particular sections, paragraphs, subparagraphs, phrases, words, or other portions of this Agreement are determined by an appropriate court, arbitrator, or other tribunal to be invalid or unenforceable as written, they shall be modified as necessary to comport with the reasonable intent and expectations of the Parties and in favor of providing maximum reasonable protection to the Company's legitimate business interests. Such modification shall not affect the remaining provisions of this Agreement. If such provisions cannot be modified to be made valid or enforceable, then they shall be severed from this Agreement, and all remaining terms and provisions shall remain enforceable. Sections 8, 9 and 10 and each restrictive covenant within them are intended to be divisible and to be interpreted and applied separately and independently.

22. **ENTIRE AGREEMENT; AMENDMENT.** This Agreement, together with each agreement specifically referred to herein as having a continuing effect (including the Letter and any other exhibit to the Letter) contains the entire agreement between the Parties relating to the subject matters contained herein. No term of this Agreement may be amended or modified unless made in writing and executed by both Employee and an authorized agent of the Company. This Agreement replaces and supersedes all prior representations, understandings, or agreements, written or oral, between Employee and the Company with regard to restrictive covenants, post-employment restrictions, and Mandatory arbitration.

23. **WAIVER.** Failure to fully enforce any provision of this Agreement by either Party shall not constitute a waiver of any term hereof by such Party; no waiver shall be recognized unless expressly made in writing, and executed by the Party that allegedly made such waiver.

24. **CONSTRUCTION.** The Parties agree that this Agreement has been reviewed by each Party, each Party had an opportunity to make suggestions about the provisions of the Agreement, and each Party had sufficient opportunity to obtain the advice of legal counsel on matters of contract interpretation, if desired. The Parties agree that this Agreement shall not be construed or interpreted more harshly against one Party merely because one Party was the original drafter of the Agreement.

25. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same legally recognized instrument.

26. **THIRD-PARTY BENEFICIARIES.** Employee specifically acknowledges and agrees that the direct and indirect subsidiaries, parents, owners, and affiliated companies of the Company are intended to be beneficiaries of this Agreement and shall have every right to enforce the terms and provisions of this Agreement in accordance with the provisions of this Agreement.

27. **NOTICES.** Notices regarding this Agreement shall be sent via email or to the mailing addresses of the Parties as set forth in the signature block to this Agreement.

28. **GOVERNING LAW AND FORUM SELECTION.** This Agreement shall be governed by and construed in accordance with the Federal Arbitration Act. Any non-arbitration-related issues shall be resolved under the substantive laws and in the jurisdiction of the state where Employee most recently worked for the Company.

29. **ENDNOTES AND EXCEPTIONS.** Certain of the foregoing provisions of this Agreement are hereby modified in certain states as described in the following Sections and Subsections:

(a) **Section 6:** the “**Nondisclosure Agreement**” shall apply not for the entire time period following Employee’s Employment, but rather shall apply only during the Restricted Period in the following states: Arizona, Florida, Illinois, Indiana, New Jersey, Virginia and Wisconsin. Additionally, to the extent Section 6.a applies in Wisconsin to Confidential Information that does not constitute a trade secret under applicable law, it shall apply only in geographic areas where the unauthorized disclosure or use of Confidential Information would be competitively damaging to the Company.

(b) **Section 9:** the “**Nonsolicitation of Customers/Prospective Customers**” provision shall apply not to any Prospective Customer, but rather shall apply only to any Customer, in the following states: Wisconsin. Additionally, in Wisconsin, Section 9 shall not apply to “attempts.”

(c) **Section 10:** “**Nonrecruitment of Employees**” shall not apply in Wisconsin. The Restricted Period for the nonrecruitment of Company employees in Section 10 shall be eighteen (18) months in the following states: Alabama.

(d) **Section 12:** The final sentence of Section 12 shall not apply in the following states: Arkansas, Louisiana, and Wisconsin.

(e) **Section 13(e): “Confidential Information”** The definition of Confidential Information shall include only information that has actual value to the Company in the following state: Wisconsin.

[Remainder of page intentionally left blank.  
Signatures on following page.]

Page A-14 of 15



The Parties have executed this Employment and Restrictive Covenants Agreement, which is effective as of the Effective Date written above.

**For Employee:**

Signature:

/s/ Tony Lucia

Printed Name: Tony Lucia

Address:

\*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 4/1/2019

**For Company:**

Signature:

Printed Name: \_\_\_\_\_

Address:

Title: \_\_\_\_\_

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

**Schedule 1**

**(List of Employee's Prior Inventions)**

T.L. By initialing here, I represent and warrant that I have no Prior Inventions, as that term is defined in the Agreement to which this Schedule I is attached.

OR

\_\_\_\_ Below is a complete and accurate list of Prior Inventions, as that term is defined in the Agreement to which this Schedule 1 is attached.

**For Employee:**

Signature: /s/ Tony Lucia

Printed Name: Tony Lucia

Address:

\*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 4/1/2019

**EXHIBIT B**

(To the Letter dated March 1st, 2019)

**MANDATORY ARBITRATION AGREEMENT**

This Mandatory Arbitration Agreement (the “**Arbitration Agreement**”) is made effective April 1st, 2019 (the “**Effective Date**”), by and between Integral Ad Science, Inc. (together with its affiliates and related companies, hereafter referenced as “**Company**”) and Tony Lucia (hereafter referenced as “**Employee**” and together with the Company, each a “**Party**” and collectively, the “**Parties**”).

A Party may bring an action in court to obtain a temporary restraining order, injunction, or other equitable relief available in response to any violation or threatened violation of the restrictive covenants set forth in this Agreement. Otherwise, Employee expressly agrees and acknowledges that the Company and Employee will utilize binding arbitration to resolve all disputes that may arise out of the Employment, which shall include the following:

1. Both the Company and Employee hereby agree that any claim, dispute, and/or controversy between Employee and the Company (or its owners, directors, officers, managers, employees, agents, insurers and parties affiliated with its employee benefit and health plans), arising from, related to, or having any relationship or connection whatsoever to the Employment, shall be submitted to and determined exclusively by binding arbitration before the American Arbitration Association (“**AAA**”) under the Federal Arbitration Act (9 U.S.C. §§ 1, *et seq.*), in conformity with the Federal Rules of Civil Procedure and pursuant to the AAA’s Employment Rules. Included within the scope of this Agreement are all disputes including, but not limited to, any claims alleging employment discrimination, harassment, hostile environment, retaliation, whistleblower protection, wrongful discharge, constructive discharge, failure to grant leave, failure to reinstate, failure to accommodate, tortious conduct, breach of contract, and/or any other claims Employee may have against the Company for any exemption misclassification, unpaid wages or overtime pay, benefits, payments, bonuses, commissions, vacation pay, leave pay, workforce reduction payments, costs or expenses, emotional distress, pain and suffering, or other alleged damages arising out of the Employment or termination. Also included are any claims based on or arising under Title VII of the Civil Rights Act of 1964, 42 USC Section 1981, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Fair Labor Standards Act, Sarbanes-Oxley, all as amended, or any other state or federal law or regulation, equitable law, or otherwise relating in any way to the employment relationship.

2. The arbitration proceeding shall be conducted in the State of New York, New York County,

3. Nothing herein, however, shall prevent Employee from filing and pursuing proceedings before the United States Equal Employment Opportunity Commission or similar state agency (although if Employee chooses to pursue any type of claim for relief following the exhaustion of such administrative remedies, such claim would be subject to resolution under these mandatory arbitration provisions). In addition, nothing herein shall prevent Employee from filing an administrative claim for unemployment benefits or workers' compensation benefits.

4. Nothing in the confidentiality or nondisclosure or other provisions of this Agreement shall be construed to limit Employee's right to respond accurately and fully to any question, inquiry or request for information when required by legal process or from initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority, regarding the Company, Employee's Employment, or this Agreement. Employee is not required to contact the Company regarding the subject matter of any such communications before engaging in such communications. Employee also understands that Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Employee also understands that disclosure of trade secrets to attorneys, in legal proceedings if disclosed under seal, or pursuant to court order is also protected under 18 U.S. Code §1833 when disclosure is made in connection with a retaliation lawsuit based on the reporting of a suspected violation of law.

5. In addition to any other requirements imposed by law, the arbitrator selected shall be a qualified individual mutually selected by the Parties, and shall be subject to disqualification on the same grounds as would apply to a judge. All rules of pleading, all rules of evidence, all statutes of limitations, all rights to resolution of the dispute by means of motions for summary judgment, and judgment on the pleadings shall apply and be observed. Resolution of the dispute shall be based solely upon the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis (including but not limited to, notions of "just cause") other than such controlling law. Likewise, all communications during or in connection with the arbitration proceedings are privileged. The arbitrator shall have the authority to award appropriate substantive relief under relevant laws, including the damages, costs and attorneys' fees that would be available under such laws.

6. Employee's initial share of the arbitration fee shall be in an amount equal to the filing fee as would be applicable in a court proceeding, or \$100, whichever is less. Beyond the arbitration filing fee, the non-prevailing party as determined by the arbitrator will bear all other fees, expenses and charges of the arbitrator.

7. Employee understands and agrees that all claims against the Company must be brought in Employee's individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. Employee understands that there is no right or authority for any dispute to be heard or arbitrated on a collective action basis, class action basis, as a private attorney general, or on bases involving claims or disputes brought in a representative capacity on behalf of the general public, on behalf of other Company employees (or any of them) or on behalf of other persons alleged to be similarly situated.

Employee understands that there are no bench or jury trials and no class actions or representative actions permitted under this Agreement. The arbitrator shall not consolidate claims of different employees into one proceeding, nor shall the arbitrator have the power to hear an arbitration as a class action, collective action, or representative action. The interpretation of this subsection shall be decided by a judge, not the arbitrator.

8. Employee and Company agree to the following procedures:

(a) Prior to the service of an Arbitration Demand, the parties shall negotiate in good faith for a period of thirty (30) days in an effort to resolve any arbitrable dispute privately, amicably and confidentially. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by either Party or their representatives will be confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in negotiations pursuant to this Section 8.

(b) If negotiations fail, to commence an arbitration pursuant to this Agreement, a Party shall serve a written arbitration demand (the "**Demand**") on the other Party by hand delivery or via overnight delivery service (in a manner that provides proof of receipt by the respondent). The Demand shall be served before expiration of the applicable statute of limitations. The Demand shall describe the arbitrable dispute in sufficient detail to advise the respondent of the nature and basis of the dispute, state the date on which the dispute first arose, list the names and addresses of every person whom the claimant believes does or may have information relating to the dispute, including a short description of the matter(s) about which each person is believed to have knowledge, and state with particularity the relief requested by the claimant, including a specific monetary amount, if the claimant seeks a monetary award of any kind.

(c) If respondent does not provide a written Response to the Demand, all allegations will be considered denied.

(d) The Parties shall confer in good faith to attempt to agree upon a suitable arbitrator, and if unable to do so, they will select an arbitrator from the AAA's employment arbitration panel for the area.

(e) Any award or portion thereof, whether preliminary or final, will be based on and accompanied by a written opinion signed by the arbitrator and will contain findings of fact, conclusions of law and the reasons upon which the award or portion thereof is based.

9. Employee understands, agrees, and consents to this binding arbitration provision, and Employee and the Company hereby each expressly waive the right to trial by jury of any claims arising out of Employment with the Company.

10. *By initialing below, Employee acknowledges that Employee has read, understands, agrees and consents to this binding Arbitration Agreement, including the class action waiver. Employee's Initials: T.L.*

The Parties have executed this Arbitration Agreement, which is effective as of the Effective Date written above.

**Employee:**

Signature:

/s/ Tony Lucia

Printed Name: Tony Lucia

Address:

\*\*\*\*\*

\*\*\*\*\*

Email: \*\*\*\*\*

Date: 4/1/2019

**For Company:**

Signature:

Printed Name: \_\_\_\_\_

Address: \_\_\_\_\_

Title: \_\_\_\_\_

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

**EXHIBIT C**

(To the Letter dated March 1st, 2019)

**Certain Definitions**

**“Cause”** means any of the following:

- (i) a material failure by you to perform your responsibilities or duties to the Company under this letter or those other responsibilities or duties as reasonably requested from time to time by the Board, after written demand for performance has been given by the Board that identifies how you have not performed your responsibilities or duties and such failure, if susceptible of cure, has not been cured for a period of twenty (20) days after you receive notice from the Board;
- (ii) your engagement in illegal conduct or gross misconduct that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iii) your commission or conviction of, or plea of guilty or *nolo contendere* to, a felony, a crime involving moral turpitude or any other act or omission that the Company in good faith believes has materially harmed, or is reasonably likely to materially harm, the standing and reputation of the Company;
- (iv) a material breach of your duty of loyalty to the Company or your material breach of the Company’s written code of conduct and business ethics or Sections 4 through 10 and 16 of the Employment and Restrictive Covenants Agreement, or any other material written agreement between you and the Company;
- (v) fraud, gross negligence or repetitive negligence committed without regard to written corrective direction in the course of discharge of your duties as an employee; or
- (vi) excessive and unreasonable absences from your duties for any reason (other than an authorized leave or as a result of your Disability (as defined below)).

**“Disability”** means your inability to perform the essential functions of your job, with or without accommodation, as a result of any mental or physical disability or incapacity for an extended period of not less than one hundred eighty (180) calendar days, as determined in the sole discretion of the Company.

**“Good Reason”** means that you voluntarily terminate your employment with the Company if there should occur without your written consent:

- (i) a material, adverse change in your duties or responsibilities with the Company;

- (ii) (A) any reduction in your then current Base Salary that is not implemented in conjunction with a general decrease affecting the executive management team or (B) a reduction in your then current Base Salary by more than ten percent (10%) in conjunction with a general decrease affecting the entire executive management team;
- (iii) the material breach by the Company of this letter or any other employment agreement between you and the Company; or
- (iv) a relocation of more than fifty (50) miles;

provided, however, that in each case above, you must (a) first provide written notice to the Company of the existence of the Good Reason condition within thirty (30) days of the initial existence of such event, specifying the basis for your belief that you are entitled to terminate your employment for Good Reason, (b) give the Company an opportunity to cure any of the foregoing within thirty (30) days following your delivery to the Company of such written notice, and (c) actually resign your employment within thirty (30) days following the expiration of the Company's thirty (30) day cure period.

All references to the Company in these definitions shall include parent, subsidiary, affiliate and successor entities of the Company.



**STANDARD FORM OF LOFT LEASE**  
**The Real Estate Board of New York, Inc.**

Agreement of Lease, made as of this 22nd day of July in the year 2014, between BRICKMAN 95 MORTON LLC, having an office at c/o Brickman Associates, 712 Fifth Avenue, New York, NY 10019 party of the first part, hereinafter referred to as OWNER, and INTEGRAL AD SCIENCE, INC., having an office at 37 East 18th Street, FI 7, New York, NY 10003 party of the second part, hereinafter referred to as TENANT.

**Witnesseth:**

Owner hereby leases to Tenant and Tenant hereby hires from Owner entire eighth (8th) floor, consisting of approximately 25,123 rentable square feet in the building known as 95 Morton Street in the Borough of Manhattan, City of New York, for the term of ten (10) Lease Years, as more fully set forth in Article 41 of this Lease (or until such term shall sooner cease and expire as hereinafter provided) to commence on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, and to end on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, and both dates inclusive, at the annual rental rate of \_\_\_\_\_ as set forth more fully in Article 41 of this Lease which Tenant agrees to pay in lawful money of the United States which shall be legal tender in payment of all debts and dues, public and private, at the time of payment, in equal monthly installments in advance on the first day of each month during said term, at the office of Owner or such other place as Owner may designate, without any setoff or deduction whatsoever, except that Tenant shall pay the first \_\_\_\_\_ monthly installment(s) on the execution hereof (unless this lease be a renewal).

In the event that, at the commencement of the term of this lease, or thereafter, Tenant shall be in default in the payment of rent to Owner pursuant to the terms of another lease with Owner or with Owner's predecessor in interest, Owner may at Owner's option and without notice to Tenant add the amount of such arrears to any monthly installment of rent payable hereunder and the same shall be payable to Owner as additional rent.

The parties hereto, for themselves, their heirs, distributees, executors, administrators, legal representative, successors and assigns, hereby covenant as follows:

**Rent: 1.**

Tenant shall pay the rent as above and as hereinafter provided.

**Occupancy: 2.**

Tenant shall use and occupy the demised premises for executive, administrative and general business offices provided such use is in accordance with the certificate of occupancy for the building, if any, and for no other purpose.

**Alterations:**

3. Tenant shall make no changes in or to the demised premises of any nature without Owner's prior written consent. Subject to the prior written consent of Owner, and to the provisions of this article, Tenant, at Tenant's expense, may make alterations, installations, additions or improvements which are nonstructural and which do not affect utility services or plumbing and electrical lines, in or to the interior of the demised premises, using contractors or mechanics first approved in each instance by Owner. Tenant shall, at its expense, before making any alterations, additions, installations or improvements obtain all permits, approvals and certificates required by any governmental or quasi-governmental bodies and (upon completion) certificates of final approval thereof, and shall deliver promptly duplicates of all such permits, approvals and certificates to Owner. Tenant agrees to carry, and will cause Tenant's contractors and sub-contractors to carry, such worker's compensation, commercial general liability, personal and property damage insurance as Owner may require. If any mechanic's lien is filed against the demised premises, or the building of which the same forms a part, for work claimed to have been done for, or materials furnished to, Tenant, whether or not done pursuant to this article, the same shall be discharged by Tenant within thirty (30) days thereafter, at Tenant's expense, by payment or filing a bond as permitted by law. All fixtures and all paneling, partitions, railings and like installations, installed in the demised premises at any time, either by Tenant or by Owner on Tenant's behalf, shall, upon installation, become the property of Owner and shall remain upon and be surrendered with the demised premises unless Owner, by notice to Tenant no later than twenty (20) days prior to the date fixed as the termination of this lease, elects to relinquish Owner's right thereto and to have them removed by Tenant, in which event the same shall be removed from the demised premises by Tenant prior to the expiration of the lease, at Tenant's expense. Nothing in this article shall be construed to give Owner title to, or to prevent Tenant's removal of, trade fixtures, moveable office furniture and equipment, but upon removal of same from the demised premises, or upon removal of other installations as may be required by Owner, Tenant shall immediately, and at its expense, repair and restore the demised premises to the condition existing prior to any such installations, and repair any damage to the

notice, to proceed with due diligence to make repairs required to be made by Tenant, the same may be made by Owner at the expense of Tenant, and the expenses thereof incurred by Owner shall be collectible, as additional rent, after rendition of a bill or statement therefore. If the demised premises be or become infested with vermin, Tenant shall, at its expense, cause the same to be exterminated. Tenant shall give Owner prompt notice of any defective condition in any plumbing, heating system or electrical lines located in the demised premises and following such notice. Owner shall remedy the condition with due diligence, but at the expense of Tenant, if repairs are necessitated by damage or injury attributable to Tenant, Tenant's servants, agents, employees, invitees or licensees as aforesaid. Except as specifically provided in Article 9 or elsewhere in this lease, there shall be no allowance to Tenant for a diminution of rental value and no liability on the part of Owner by reason of inconvenience, annoyance or injury to business arising from Owner, Tenant or others making or failing to make any repairs, alterations, additions or improvements in or to any portion of the building or the demised premises, or in and to the fixtures, appurtenances or equipment thereof. It is specifically agreed that Tenant shall not be entitled to any setoff or reduction of rent by reason of any failure of Owner to comply with the covenants of this or any other article of this lease. Tenant agrees that Tenant's sole remedy at law in such instance will be by way of an action for damages for breach of contract. The provisions of this Article 4 with respect to the making of repairs shall not apply in the case of fire or other casualty with regard to which Article 9 hereof shall apply.

**Window Cleaning:**

5. Tenant will not clean nor require, permit, suffer or allow any window in the demised premises to be cleaned from the outside in violation of Section 202 of the New York State Labor Law or any other applicable law, or of the Rules of the Board of Standards and Appeals, or of any other Board or body having or asserting jurisdiction.

**Requirements of Law, Fire Insurance, Floor Loads:**

demised premises or the building due to such removal. All property permitted or required to be removed by Tenant at the end of the term remaining in the demised premises after Tenant's removal shall be deemed abandoned and may, at the election of Owner, either be retained as Owner's property or removed from the demised premises by Owner, at Tenant's expense.

**Repairs:**

4. Owner shall maintain and repair the exterior of and the public portions of the building. Tenant shall, throughout the term of this lease, take good care of the demised premises including the bathrooms and lavatory facilities (if the demised premises encompass the entire floor of the building), the windows and window frames, and the fixtures and appurtenances therein, and at Tenant's sole cost and expense promptly make all repairs thereto and to the building, whether structural or non-structural in nature, caused by, or resulting from, the carelessness, omission, neglect or improper conduct of Tenant, Tenant's servants, employees, invitees, or licensees, and whether or not arising from Tenant's conduct or omission, when required by other provisions of this lease, including article 6. Tenant shall also repair all damage to the building and the demised premises caused by the moving of Tenant's fixtures, furniture or equipment. All the aforesaid repairs shall be of quality or class equal to the original work or construction. If Tenant fails, after ten (10) days

6. Prior to the commencement of the lease term, if Tenant is then in possession, and at all times thereafter, Tenant shall at Tenant's sole cost and expense, promptly comply with all present and future laws, orders and regulations of all state, federal, municipal and local governments, departments, commissions and boards and any direction of any public officer pursuant to law, and all orders, rules and regulations of the New York Board of Fire Underwriters, Insurance Services Office, or any similar body which shall impose any violation, order or duty upon Owner or Tenant with respect to the demised premises, whether or not arising out of Tenant's use or manner of use thereof, or, with respect to the building, if arising out of Tenant's use or manner of use of the demised premises of the building (including the use permitted under the lease). Except as provided in Article 30 hereof, nothing herein shall require Tenant to make structural repairs or alterations unless Tenant has, by its manner of use of the demised premises or method of operation therein, violated any such laws, ordinances, orders, rules, regulations or requirements with respect thereto. Tenant shall not do or permit any act or thing to be done in or to the demised premises which is contrary to law, or which will invalidate or be in conflict with public liability, fire or other policies of insurance at any time carried by or for the benefit of Owner, or which shall or might subject Owner to any liability or responsibility to any person, or for property damage. Tenant shall not keep anything in the demised premises except as now or hereafter permitted by the Fire Department, Board of Fire Underwriters, Fire

Insurance Rating Organization and other authority having jurisdiction, and then only in such manner and such quantity so as not to increase the rate for fire insurance applicable to the building, nor use the demised premises in a manner which will increase the insurance rate for the building or any property located therein over that in effect prior to the commencement of Tenant's occupancy. If by reason of failure to comply with the foregoing the fire insurance rate shall, at the beginning of this lease or at any time thereafter, be higher than it otherwise would be, then Tenant shall reimburse Owner, as additional rent hereunder, for that portion of all fire insurance premiums thereafter paid by Owner which shall have been charged because of such failure by Tenant. In any action or proceeding wherein Owner and Tenant are parties, a schedule or "make-up" or rate for the building or demised premises issued by a body making fire insurance rates applicable to said premises shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rates then applicable to said premises. Tenant shall not place a load upon any floor of the demised premises exceeding the floor load per square foot area which it was designed to carry and which is allowed by law. Owner reserves the right to prescribe the weight and position of all safes, business machines and mechanical equipment. Such installations shall be placed and maintained by Tenant, at Tenant's expense, in settings sufficient, in Owner's judgment, to absorb and prevent vibration, noise and annoyance.

#### **Subordination:**

7. This lease is subject and subordinate to all ground or underlying leases and to all mortgages which may now or hereafter affect such leases or the real property of which the demised premises are a part, and to all renewals, modifications, consolidations, replacements and extensions of any such underlying leases and mortgages. This clause shall be self-operative and no further instrument or subordination shall be required by any ground or underlying lessor or by any mortgagee, affecting any lease or the real property of which the demised premises are a part. In confirmation of such subordination, Tenant shall from time to time execute promptly any certificate that Owner may request.

#### **Tenant's Liability Insurance Property Loss, Damage, Indemnity:**

8. Owner or its agents shall not be liable for any damage to property of Tenant or of others entrusted to employees of the building, nor for loss of, or damage to, any property of Tenant by theft or otherwise, nor for any injury or damage to persons or property resulting from any cause of whatsoever nature, unless caused by, or due to, the negligence of Owner, its agents, servants or employees; Owner or its agents shall not be liable for any damage caused by other tenants or persons in, upon or about said building or caused by operations in connection of any private, public or quasi public work. If at any time any windows of the demised premises are temporarily closed, darkened or bricked up (or permanently closed, darkened or bricked up, if required by law) for any reason whatsoever including, but not limited to, Owner's own acts, Owner shall not be liable for any damage Tenant may sustain thereby, and Tenant shall not be entitled to any compensation therefore nor abatement or diminution of rent, nor shall the same release Tenant from its obligations hereunder nor constitute an eviction. Tenant shall indemnify and save harmless Owner against and from all liabilities, obligations, damages, penalties, claims, costs and expenses for which Owner shall not be reimbursed by insurance, including reasonable attorney's fees, paid, suffered or incurred as a result of any breach by Tenant, Tenant's agents, contractors, employees, invitees, or licensees, of any covenant or condition of this lease, or the carelessness, negligence or improper conduct of Tenant, Tenant's agents, contractors, employees, invitees or licensees. Tenant's liability under this lease extends to the acts and omissions of any subtenant, and any agent, contractor, employee, invitee or licensee of any subtenant. In case any action or proceeding is brought against Owner by reason of any such claim, Tenant, upon written notice from Owner, will, at Tenant's expense, resist or defend such action or proceeding by counsel approved by Owner in writing, such approval not to be unreasonably withheld.

#### **Destruction, Fire, and Other Casualty:**

9. (a) If the demised premises or any part thereof shall be damaged by fire or other casualty, Tenant shall give immediate notice thereof to Owner and this lease shall continue in full force and effect except as

salvageable inventory and movable equipment, furniture, and other property. Tenant's liability for rent shall resume five (5) days after written notice from Owner that the demised premises are substantially ready for Tenant's occupancy. (e) Nothing contained hereinabove shall relieve Tenant from liability that may exist as a result of damage from fire or other casualty. Notwithstanding anything contained to the contrary in subdivisions (a) through (e) hereof, including Owner's obligation to restore under subparagraph (b) above, each party shall look first to any insurance in its favor before making any claim against the other party for recovery for loss or damage resulting from fire or other casualty, and to the extent that such insurance is in force and collectible, and to the extent permitted by law, Owner and Tenant each hereby releases and waives all right of recovery with respect to subparagraphs (b), (d) and (e) above, against the other or any one claiming through or under each of them by way of subrogation or otherwise. The release and waiver herein referred to shall be deemed to include any loss or damage to the demised premises and/or to any personal property, equipment, trade fixtures, goods and merchandise located therein. The foregoing release and waiver shall be in force only if both releasors' insurance policies contain a clause providing that such a release or waiver shall not invalidate the insurance. If, and to the extent, that such waiver can be obtained only by the payment of additional premiums, then the party benefiting from the waiver shall pay such premium within ten (10) days after written demand or shall be deemed to have agreed that the party obtaining insurance coverage shall be free of any further obligation under the provisions hereof with respect to waiver of subrogation. Tenant acknowledges that Owner will not carry insurance on Tenant's furniture and/or furnishings or any fixtures or equipment, improvements, or appurtenances removable by Tenant, and agrees that Owner will not be obligated to repair any damage thereto or replace the same. (f) Tenant hereby waives the provisions of Section 227 of the Real Property Law and agrees that the provisions of this article shall govern and control in lieu thereof.

#### **Eminent Domain:**

10. If the whole or any part of the demised premises shall be acquired or condemned by Eminent Domain for any public or quasi public use or purpose, then and in that event, the term of this lease shall cease and terminate from the date of title vesting in such proceeding and Tenant shall have no claim for the value of any unexpired term of said lease. Tenant shall have the right to make an independent claim to the condemning authority for the value of Tenant's moving expenses and personal property, trade fixtures and equipment, provided Tenant is entitled pursuant to the terms of the lease to remove such property, trade fixtures and equipment at the end of the term, and provided further such claim does not reduce Owner's award.

#### **Assignment, Mortgage, Etc.:**

11. Tenant, for itself, its heirs, distributees, executors, administrators, legal representatives, successors and assigns, expressly covenants that it shall not assign, mortgage or encumber this agreement, nor underlet, or suffer or permit the demised premises or any part thereof to be used by others, without the prior written consent of Owner in each instance. Transfer of the majority of the stock of a corporate. Tenant or the majority interest in any partnership or other legal entity which is Tenant shall be deemed an assignment. If this lease be assigned, or if the demised premises or any part thereof be underlet or occupied by anybody other than Tenant, Owner may, after default by Tenant, collect rent from the assignee, undertenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, underletting, occupancy or collection shall be deemed a waiver of this covenant, or the acceptance of the assignee, undertenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. The consent by Owner to an assignment or underletting shall not in any way be construed to relieve Tenant from obtaining the express consent in writing of Owner to any further assignment or underletting.

#### **Electric Current:**

12. Rates and conditions in respect to submetering or rent inclusion, as the case may be, to be added in RIDER attached hereto. Tenant covenants and agrees that at all times its use of electric current shall not exceed the capacity of existing feeders to the building or the risers or

hereinafter set forth. (b) If the demised premises are partially damaged or rendered partially unusable by fire or other casualty, the damages thereto shall be repaired by, and at the expense of, Owner, and the rent and other items of additional rent, until such repair shall be substantially completed, shall be apportioned from the day following the casualty according to the part of the demised premises which is usable, (c) If the demised premises are totally damaged or rendered wholly unusable by fire or other casualty, then the rent and other items of additional rent as hereinafter expressly provided shall be proportionately paid up to the time of the casualty and thenceforth shall cease until the date when the demised premises shall have been repaired and restored by Owner (or sooner reoccupied in part by Tenant then rent shall be apportioned as provided in subsection (b) above), subject to Owner's right to elect not to restore the same as hereinafter provided. (d) If the demised premises are rendered wholly unusable or (whether or not the demised premises are damaged in whole or in part) if the building shall be so damaged that Owner shall decide to demolish it or to rebuild it, then, in any of such events, Owner may elect to terminate this lease by written notice to Tenant, given within ninety (90) days after such fire or casualty, or thirty (30) days after adjustment of the insurance claim for such fire or casualty, whichever is sooner, specifying a date for the expiration of the lease, which date shall not be more than sixty (60) days after the giving of such notice, and upon the date specified in such notice the term of this lease shall expire as fully and completely as if such date were the date set forth above for the termination of this lease, and Tenant shall forthwith quit, surrender and vacate the demised premises without prejudice however, to Owner's rights and remedies against Tenant under the lease provisions in effect prior to such termination, and any rent owing shall be paid up to such date, and any payments of rent made by Tenant which were on account of any period subsequent to such date shall be returned to Tenant. Unless Owner shall serve a termination notice as provided for herein, Owner shall make the repairs and restorations under the conditions of (b) and (c) hereof, with all reasonable expedition, subject to delays due to adjustment of insurance claims, labor troubles and causes beyond Owner's control. After any such casualty, Tenant shall cooperate with Owner's restoration by removing from the demised premises as promptly as reasonably possible, all of Tenant's

wiring installation, and Tenant may not use any electrical equipment which, in Owner's opinion, reasonably exercised, will overload such installations or interfere with the use thereof by other tenants of the building. The change at any time of the character of electric service shall in no way make Owner liable or responsible to Tenant, for any loss, damages or expenses which Tenant may sustain.

#### **Access to Premises:**

**13.** Owner or Owner's agents shall have the right (but shall not be obligated) to enter the demised premises in any emergency at any time, and, at other reasonable times, to examine the same and to make such repairs, replacements and improvements as Owner may deem necessary and reasonably desirable to any portion of the building, or which Owner may elect to perform in the demised premises after Tenant's failure to make repairs, or perform any work which Tenant is obligated to perform under this lease, or for the purpose of complying with laws, regulations and other directions of governmental authorities. Tenant shall permit Owner to use, maintain and replace pipes, ducts, and conduits in and through the demised premises, and to erect new pipes, ducts, and conduits therein provided, wherever possible, that they are within walls or otherwise concealed. Owner may, during the progress of any work in the demised premises, take all necessary materials and equipment into said premises without the same constituting an eviction, nor shall Tenant be entitled to any abatement of rent while such work is in progress, nor to any damages by reason of loss or interruption of business or otherwise. Throughout the term hereof Owner shall have the right to enter the demised premises at reasonable hours for the purpose of showing the same to prospective purchasers or mortgagees of the building, and during the last six (6) months of the term for the purpose of showing the same to prospective tenants, and may, during said six (6) months period, place upon the demised premises the usual notices "To Let" and "For Sale" which notices Tenant shall permit to remain thereon without molestation. If Tenant is not present to open and permit an entry into the demised premises, Owner or Owner's agents may enter the same whenever such entry may be necessary or permissible by master key or forcibly, and provided reasonable care is exercised to safeguard Tenant's property, such entry shall not render Owner or its agents liable therefore, nor in any event shall the obligations of Tenant hereunder be affected. If during the last month of the term Tenant shall have removed all or substantially all of Tenant's property therefrom, Owner may immediately enter, alter, renovate or redecorate the demised premises without limitation or abatement of rent, or incurring liability to Tenant for any compensation, and such act shall have no effect on this lease or Tenant's obligation hereunder.

**Vault, Vault Space, Area:**

14. No vaults, vault space or area, whether or not enclosed or covered, not within the property line of the building is leased hereunder, anything contained in or indicated on any sketch, blue print or plan, or anything contained elsewhere in this lease to the contrary notwithstanding. Owner makes no representation as to the location of the property line of the building. All vaults and vault space and all such areas not within the property line of the building, which Tenant may be permitted to use and/or occupy, is to be used and/or occupied under a revocable license, and if any such license be revoked, or if the amount of such space or area be diminished or required by any federal, state or municipal authority or public utility, Owner shall not be subject to any liability, nor shall Tenant be entitled to any compensation or diminution or abatement of rent, nor shall such revocation, diminution or requisition be deemed constructive or actual eviction. Any tax, fee or charge of municipal authorities for such vault or area shall be paid by Tenant, if used by Tenant, whether or not specifically leased hereunder.

**Occupancy:**

15. Tenant will not at any time use or occupy the demised premises in violation of the certificate of occupancy issued for the building of which the demised premises are a part. Tenant has inspected the demised premises and accepts them as is, subject to the riders annexed hereto with respect to Owner's work, if any. In any event, Owner makes no representation as to the condition of the demised premises and Tenant agrees to accept the same subject to violations, whether or not of record. If any governmental license or permit shall be required for the proper and lawful conduct of Tenant's business. Tenant shall be responsible for, and shall procure and maintain, such license or permit.

**Bankruptcy:**

16. (a) Anything elsewhere in this lease to the contrary notwithstanding, this lease may be cancelled by Owner by sending of a written notice to Tenant within a reasonable time after the happening of any one or more of the following events: (1) the commencement of a case in bankruptcy or under the laws of any state naming Tenant (or a guarantor of any of Tenant's obligations under this lease) as the debtor; or (2) the making by Tenant (or a guarantor of any of Tenant's obligations under this lease) of an assignment or any other arrangement for the benefit of creditors under any state statute. Neither Tenant nor any person claiming through or under Tenant, or by reason of any statute or order of court, shall thereafter be entitled to possession of the premises demised, but shall forthwith quit and surrender the demised premises. If this lease shall be assigned in accordance with its terms, the provisions of this Article 16 shall be applicable only to the party then owning Tenant's interest in this lease.

(b) It is stipulated and agreed that in the event of the termination of this lease pursuant to (a) hereof, Owner shall forthwith, notwithstanding any other provisions of this lease to the contrary, be entitled to recover from Tenant, as and for liquidated damages, an amount equal to the difference between the rental reserved hereunder for the unexpired portion of the term demised and the fair and reasonable rental value of the demised premises for the same period. In the computation of such damages the difference between any installment of rent becoming due hereunder after the date of termination and the fair and reasonable rental value of the demised premises for the period for which such installment was payable shall be discounted to the date of termination at the rate of four percent (4%) per annum. If the demised premises or any part thereof be relet by Owner for the unexpired term of said lease, or any part thereof, before presentation of proof of such liquidated damages to any court, commission or tribunal, the amount of rent reserved upon such reletting shall be deemed to be the fair and reasonable rental value for the part or the whole of the demised premises so relet during the term of the re-letting. Nothing herein contained shall limit or prejudice the right of the Owner to prove for and obtain as liquidated damages by reason of such termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, such damages are to be proved, whether or not such amount be greater, equal to, or less than the amount of the difference referred to above.

proceedings to that end. If Tenant shall make default hereunder prior to the date fixed as the commencement of any renewal or extension of this lease, Owner may cancel and terminate such renewal or extension agreement by written notice.

**Remedies of Owner and Waiver of Redemption:**

18. In case of any such default, re-entry, expiration and/or dispossession by summary proceedings or otherwise, (a) the rent, and additional rent, shall become due thereupon and be paid up to the time of such re-entry, dispossession and/or expiration, (b) Owner may relet the demised premises or any part or parts thereof, either in the name of Owner or otherwise, for a term or terms, which may at Owner's option be less than or exceed the period which would otherwise have constituted the balance of the term of this lease, and may grant concessions or free rent or charge a higher rental than that in this lease, (c) Tenant or the legal representatives of Tenant shall also pay to Owner as liquidated damages for the failure of Tenant to observe and perform said Tenant's covenants herein contained, any deficiency between the rent hereby reserved and or covenanted to be paid and the net amount, if any, of the rents collected on account of the subsequent lease or leases of the demised premises for each month of the period which would otherwise have constituted the balance of the term of this lease. The failure of Owner to re-let the demised premises or any part or parts thereof shall not release or affect Tenant's liability for damages. In computing such liquidated damages there shall be added to the said deficiency such expenses as Owner may incur in connection with reletting, such as legal expenses, reasonable attorneys' fees, brokerage, advertising, and for keeping the demised premises in good order or for preparing the same for re-letting. Any such liquidated damages shall be paid in monthly installments by Tenant on the rent day specified in this lease, and any suit brought to collect the amount of the deficiency for any month shall not prejudice in any way the rights of Owner to collect the deficiency for any subsequent month by a similar proceeding. Owner, in putting the demised premises in good order or preparing the same for re-rental may, at Owner's option, make such alterations, repairs, replacements, and/or decorations in the demised premises as Owner, in Owner's sole judgment, considers advisable and necessary for the purpose of re-letting the demised premises, and the making of such alterations, repairs, replacements, and/or decorations shall not operate or be construed to release Tenant from liability hereunder as aforesaid. Owner shall in no event be liable in any way whatsoever for failure to re-let the demised premises, or in the event that the demised premises are re-let, for failure to collect the rent thereof under such re-letting, and in no event shall Tenant be entitled to receive any excess, if any, of such net rents collected over the sums payable by Tenant to Owner hereunder. In the event of a breach or threatened breach by Tenant of any of the covenants or provisions hereof, Owner shall have the right of injunction and the right to invoke any remedy allowed at law or in equity as if re-entry, summary proceedings and other remedies were not herein provided for. Mention in this lease of any particular remedy, shall not preclude Owner from any other remedy, in law or in equity. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws.

**Fees and Expenses:**

19. If Tenant shall default in the observance or performance of any term or covenant on Tenant's part to be observed or performed under, or by virtue of, any of the terms or provisions in any article of this lease, after notice if required, and upon expiration of the applicable grace period, if any, (except in an emergency), then, unless otherwise provided elsewhere in this lease, Owner may immediately, or at any time thereafter, and without notice, perform the obligation of Tenant thereunder. If Owner, in connection with the foregoing, or in connection with any default by Tenant in the covenant to pay rent hereunder, makes any expenditures or incurs any obligations for the payment of money, including but not limited to reasonable attorneys' fees, in instituting, prosecuting or defending any action or proceeding, and prevails in any such action or proceeding, then Tenant will reimburse Owner for such sums so paid or obligations incurred with interest and costs. The foregoing expenses incurred by reason of Tenant's default shall be deemed to be additional rent hereunder and shall be paid by Tenant to Owner within ten (10) days of rendition of any bill or statement to Tenant therefore. If Tenant's lease term shall have expired at the time of making of such expenditures or incurring of such obligations, such sums shall be recoverable by Owner as damages.

**Default:**

17. (1) If Tenant defaults in fulfilling any of the covenants of this lease other than the covenants for the payment of rent or additional rent; or if the demised premises becomes vacant or deserted, or if this lease be rejected under §365 of Title 11 of the U.S. Code (Bankruptcy Code); or if any execution or attachment shall be issued against Tenant or any of Tenant's property whereupon the demised premises shall be taken or occupied by someone other than Tenant; or if Tenant shall be in default with respect to any other lease between Owner and Tenant; or if Tenant shall have failed, after five (5) days written notice, to redeposit with Owner any portion of the security deposited hereunder which Owner has applied to the payment of any rent and additional rent due and payable hereunder; or if Tenant fails to move into or take possession of the demised premises within thirty (30) days after the commencement of the term of this lease, of which fact Owner shall be the sole judge; then in any one or more of such events, upon Owner serving a written fifteen (15) days notice upon Tenant specifying the nature of said default, and upon the expiration of said fifteen (15) days, if Tenant shall have failed to comply with or remedy such default, or if the said default or omission complained of shall be of a nature that the same cannot be completely cured or remedied within said fifteen (15) day period, and if Tenant shall not have diligently commenced during such default within such fifteen (15) day period, and shall not thereafter with reasonable diligence and in good faith, proceed to remedy or cure such default, then Owner may serve a written five (5) days notice of cancellation of this lease upon Tenant, and upon the expiration of said five (5) days this lease and the term thereunder shall end and expire as fully and completely as if the expiration of such five (5) day period were the day herein definitely fixed for the end and expiration of this lease and the term thereof, and Tenant shall then quit and surrender the demised premises to Owner, but Tenant shall remain liable as hereinafter provided.

(2) If the notice provided for in (1) hereof shall have been given, and the term shall expire as aforesaid; or if Tenant shall be in default in the payment of the rent reserved herein or any item of additional rent herein mentioned, or any part of either, or in making any other payment herein required; then, and in any of such events, Owner may without notice, re-enter the demised premises either by force or otherwise, and dispossess Tenant by summary proceedings or otherwise, and the legal representative of Tenant or other occupant of the demised premises, and remove their effects and hold the demised premises as if this lease had not been made, and Tenant hereby waives the service of notice of intention to re-enter or to institute legal

**Building Alterations and Management:**

20. Owner shall have the right, at any time, without the same constituting an eviction and without incurring liability to Tenant therefore, to change the arrangement and or location of public entrances, passageways, doors, doorways, corridors, elevators, stairs, toilets or other public parts of the building, and to change the name, number or designation by which the building may be known. There shall be no allowance to Tenant for diminution of rental value and no liability on the part of Owner by reason of inconvenience, annoyance or injury to business arising from Owner or other Tenant making any repairs in the building or any such alterations, additions and improvements. Furthermore, Tenant shall not have any claim against Owner by reason of Owner's imposition of any controls of the manner of access to the building by Tenant's social or business visitors, as Owner may deem necessary, for the security of the building and its occupants.

**No Representations by Owner:**

21. Neither Owner nor Owner's agents have made any representations or promises with respect to the physical condition of the building, the land upon which it is erected, the demised premises, the rents, leases, expenses of operation, or any other matter or thing affecting or related to the demised premises or the building, except as herein expressly set forth, and no rights, easements or licenses are acquired by Tenant by implication or otherwise except as expressly set forth in the provisions of this lease. Tenant has inspected the building and the demised premises and is thoroughly acquainted with their condition and agrees to take the same "as-is" on the date possession is tendered, and acknowledges that the taking of possession of the demised premises by Tenant shall be conclusive evidence that the said premises, and the building of which the same form a part, were in good and satisfactory condition at the time such possession was so taken, except as to latent defects. All understandings and agreements heretofore made between the parties hereto are merged in this contract, which alone fully and completely expresses the agreement between Owner and Tenant, and any executory agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment of it in whole or in part, unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification, discharge or abandonment is sought.

**End of Term:**

22. Upon the expiration or other termination of the term of this lease. Tenant shall quit and surrender to Owner the demised premises, "broom-clean", in good order and condition, ordinary wear and damages which Tenant is not required to repair as provided elsewhere in this lease excepted, and Tenant shall remove all its property from the demised premises. Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of this lease. If the last day of the term of this lease, or any renewal thereof, falls on Sunday, this lease shall expire at noon on the preceding Saturday, unless it be a legal holiday, in which case it shall expire at noon on the preceding business day.

**Quiet Enjoyment:**

23. Owner covenants and agrees with Tenant that upon Tenant paying the rent and additional rent and observing and performing all the terms, covenants and conditions, on Tenant's part to be observed and performed. Tenant may peaceably and quietly enjoy the premises hereby demised, subject, nevertheless, to the terms and conditions of this lease including, but not limited to, Article 34 hereof, and to the ground leases, underlying leases and mortgages hereinbefore mentioned.

**Failure to Give Possession:**

24. If Owner is unable to give possession of the demised premises on the date of the commencement of the term hereof because of the holding-over or retention of possession of any tenant, undertenant or occupants, or if the demised premises are located in a building being constructed, because such building has not been sufficiently completed to make the premises ready for occupancy or because of the fact that a certificate of occupancy has not been procured, or if Owner has not completed any work required to be performed by Owner, or for any other reason, Owner shall not be subject to any liability for failure to give possession on said date and the validity of the lease shall not be impaired under such circumstances, nor shall the same be construed in any way to extend the term of this lease, but the rent payable hereunder shall be abated (provided Tenant is not responsible for Owner's inability to obtain possession or complete any work required) until after Owner shall have given Tenant notice that Owner is able to deliver possession in the condition required by this lease. If permission is given to Tenant to enter into possession of the demised premises, or to occupy premises other than the demised premises, prior to the date specified as the commencement of the term of this lease, Tenant covenants and agrees that such possession and/or occupancy shall be deemed to be under all the terms, covenants, conditions and provisions of this lease, except the obligation to pay the fixed annual rent set forth in page one of this lease. The provisions of this article are intended to constitute "an express provision to the contrary" within the meaning of Section 223-a of the New York Real Property Law.


**No Waiver:**

25. The failure of Owner to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this lease, or of any of the Rules or Regulations, set forth or hereafter adopted by Owner, shall not prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation. The receipt by Owner of rent with knowledge of the breach of any covenant of this lease shall not be deemed a waiver of such breach, and no provision of this lease shall be deemed to have been waived by Owner unless such waiver be in writing signed by Owner. No payment by Tenant, or receipt by Owner, of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement of any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Owner may accept such check or payment without prejudice to Owner's right to recover the balance of such rent or pursue any other remedy in this lease provided. All checks tendered to Owner as and for the rent of the demised premises shall be deemed payments for the account of Tenant. Acceptance by Owner of rent from anyone other than Tenant shall not be deemed to operate as an attornment to Owner by the payor of such rent, or as a consent by Owner to an assignment or subletting by Tenant of the demised premises to such payor, or as a modification of the provisions of this lease. No act or thing

**Bills and Notices:**

28. Except as otherwise in this lease provided, any notice, statement, demand or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this lease or pursuant to any applicable law or requirement of public authority, shall be in writing (whether or not so stated elsewhere in this lease) and shall be deemed to have been properly given, rendered or made, if sent by registered or certified mail (express mail, if available), return receipt requested, or by courier guaranteeing overnight delivery and furnishing a receipt in evidence thereof, addressed to the other party at the address hereinabove set forth (except that after the date specified as the commencement of the term of this lease, Tenant's address, unless Tenant shall give notice to the contrary, shall be the building), and shall be deemed to have been given, rendered or made (a) on the date delivered, if delivered to Tenant personally, (b) on the date delivered, if delivered by overnight courier or (c) on the date which is two (2) days after being mailed. Either party may, by notice as aforesaid, designate a different address or addresses for notices, statements, demand or other communications intended for it. Notices given by Owner's managing agent shall be deemed a valid notice if addressed and set in accordance with the provisions of this Article. At Owner's option, notices and bills to Tenant may be sent by hand delivery.

**Water Charges:**

29. If Tenant requires, uses or consumes water for any purpose in addition to ordinary lavatory purposes (of which fact Owner shall be the sole judge) Owner may install a water meter and thereby measure Tenant's water consumption for all purposes. Tenant shall pay Owner for the cost of the meter and the cost of the installation. Throughout the duration of Tenant's occupancy. Tenant shall keep said meter and installation equipment in good working order and repair at Tenant's own cost and expense. In the event Tenant fails to maintain the meter and installation equipment in good working order and repair (of which fact Owner shall be the sole judge) Owner may cause such meter and equipment to be replaced or repaired, and collect the cost thereof from Tenant as additional rent. Tenant agrees to pay for water consumed, as shown on said meter as and when bills are rendered, and in the event Tenant defaults in the making of such payment, Owner may pay such charges and collect the same from Tenant as additional rent. Tenant covenants and agrees to pay, as additional rent, the sewer rent, charge or any other tax, rent or levy which now or hereafter is assessed, imposed or a lien upon the demised premises, or the realty of which they are a part, pursuant to any law, order or regulation made or issued in connection with the use, consumption, maintenance or supply of water, the water system or sewage or sewerage connection or system. If the building, the demised premises, or any part thereof, is supplied with water through a meter through which water is also supplied to other premises, Tenant shall pay to Owner, as additional rent, on the first day of each month, %  (\$ ) of the total meter charges as Tenant's portion. Independently of, and in addition to, any of the remedies reserved to Owner hereinabove or elsewhere in this lease, Owner may sue for and collect any monies to be paid by Tenant, or paid by Owner, for any of the reasons or purposes hereinabove set forth.

**Sprinklers:**

30. Anything elsewhere in this lease to the contrary notwithstanding, if the New York Board of Fire Underwriters or the New York Fire Insurance Exchange or any bureau, department or official of the federal, state or city government recommend or require the installation of a sprinkler system, or that any changes, modifications, alterations, or additional sprinkler heads or other equipment be made or supplied in an existing sprinkler system by reason of Tenant's business, the location of partitions, trade fixtures, or other contents of the demised premises, or for any other reason, or if any such sprinkler system installations, modifications, alterations, additional sprinkler heads or other such equipment, become necessary to prevent the imposition of a penalty or charge against the full allowance for a sprinkler system in the fire insurance rate set by said Exchange or any other body making fire insurance rates, or by any fire insurance company, Tenant shall, at Tenant's expense, promptly make such sprinkler system installations, changes, modifications, alterations, and supply additional sprinkler heads or other equipment as required, whether the work involved shall be structural or non-structural in nature. Tenant shall pay to Owner as additional rent the


done by Owner or Owner's agents during the term hereby demised shall be deemed an acceptance of a surrender of said premises, and no agreement to accept such surrender shall be valid unless in writing signed by Owner. No employee of Owner or Owner's agent shall have any power to accept the keys of said premises prior to the termination of the lease, and the delivery of keys to any such agent or employee shall not operate as a termination of the lease or a surrender of the demised premises.

**Waiver of Trial by Jury:**

26. It is mutually agreed by and between Owner and Tenant that the respective parties hereto shall, and they hereby do, waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other (except for personal injury or property damage) on any matters whatsoever arising out of or in any way connected with this lease, the relationship of Owner and Tenant, Tenant's use of or occupancy of demised premises, and any emergency statutory or any other statutory remedy. It is further mutually agreed that in the event Owner commences any proceeding or action for possession, including a summary proceeding for possession of the demised premises, Tenant will not interpose any counterclaim, of whatever nature or description, in any such proceeding, including a counterclaim under Article 4, except for statutory mandatory counterclaims.

**Inability to Perform:**


27. This lease and the obligation of Tenant to pay rent hereunder and perform all of the other covenants and agreements hereunder on part of Tenant to be performed shall in no way be affected, impaired or excused because Owner is unable to fulfill any of its obligations under this lease, or to supply, or is delayed in supplying, any service expressly or impliedly to be supplied, or is unable to make, or is delayed in making, any repairs, additions, alterations or decorations, or is unable to supply, or is delayed in supplying, any equipment, fixtures or other materials, if Owner is prevented or delayed from doing so by reason of strike or labor troubles, or any cause whatsoever beyond Owner's sole control including, but not limited to, government preemption or restrictions, or by reason of any rule, order or regulation of any department or subdivision thereof of any government agency, or by reason of the conditions which have been or are affected, either directly or indirectly, by war or other emergency.

sum of  \$ \_\_\_\_\_, on the first day of each month during the term of this lease, as Tenant's portion of the contract price for sprinkler supervisory service.

**Elevators, Heat, Cleaning:**

31. As long as Tenant is not in default under any the covenants of this lease, beyond the applicable grace period provided in this lease for the curing of such defaults, Owner shall: (a) provide necessary passenger elevator facilities on business days from 8 a.m. to 6 p.m. and on Saturdays from 8 a.m. to 1 p.m.; (b) if freight elevator service is provided, same shall be provided only on regular business days, Monday through Friday inclusive, and on those days only between the hours of 9 a.m. and 12 noon and between 1 p.m. and 5 p.m.; (c) furnish heat, water and other services supplied by Owner to the demised premises, when and as required by law, on business days from 8 a.m. to 6 p.m. and on Saturdays from 8 a.m. to 1 p.m.; (d) clean the public halls and public portions of the building which are used in common by all tenants. Tenant shall, at Tenant's expense, keep the demised premises, including the windows, clean and in order, to the reasonable satisfaction of Owner, and for that purpose shall employ person or persons, or corporations approved by Owner. Tenant shall pay to Owner the cost of removal of any of Tenant's refuse and rubbish from the building. Bills for the same shall be rendered by Owner to Tenant at such time as Owner may elect, and shall be due and payable hereunder, and the amount of such bills shall be deemed to be, and be paid as additional rent. Tenant shall, however, have the option of independently contracting for the removal of such rubbish and refuse in the event that Tenant does not wish to have same done by employees of Owner. Under such circumstances, however, the removal of such refuse and rubbish by others shall be subject to such rules and regulations as, in the judgment of Owner, are necessary for the proper operation of the building. Owner reserves the right to stop service of the heating, elevator, plumbing and electric systems, when necessary, by reason of accident or emergency, or for repairs, alterations, replacements or improvements, which in the judgment of Owner are desirable or necessary to be made, until said repairs, alterations, replacements or improvements shall have been completed. If the building of which the demised premises are a part supplies manually operated elevator service, Owner may proceed diligently with alterations necessary to substitute automatic control elevator service without in any way affecting the obligations of Tenant hereunder.

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 Rider to be added if necessary



## **Security:**

32. Tenant has deposited with Owner the sum of \$TBD as security for the faithful performance and observance by Tenant of the terms, provisions and conditions of this lease. It is agreed that in the event Tenant defaults in respect of any of the terms, provisions and conditions of this lease, including, but not limited to, the payment of rent and additional rent, Owner may use, apply or retain the whole or any part of the security so deposited to the extent required for the payment of any rent and additional rent, or any other sum as to which Tenant is in default, or for any sum which Owner may expend, or may be required to expend, by reason of Tenant's default in respect of any of the terms, covenants and conditions of this lease, including but not limited to, any damages or deficiency in the re-letting of the demised premises, whether such damages or deficiency accrued before or after summary proceedings or other re-entry by Owner. In the case of every such use, application or retention, Tenant shall, within five (5) days after demand, pay to Owner the sum so used, applied or retained which shall be added to the security deposit so that the same shall be replenished to its former amount. In the event that Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this lease, the security shall be returned to Tenant after the date fixed as the end of the lease, and after delivery of entire possession of the demised premises to Owner. In the event of a sale of the land and building or leasing of the building, of which the demised premises form a part. Owner shall have the right to transfer the security to the vendee or lessee, and Owner shall thereupon be released by Tenant from all liability for the return of such security; and Tenant agrees to look to the new Owner solely for the return of said security, and it is agreed that the provisions hereof shall apply to every transfer or assignment made of the security to a new Owner. Tenant further covenants that it will not assign or encumber, or attempt to assign or encumber, the monies deposited herein as security, and that neither Owner nor its successors or assigns shall be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

## **Captions:**

33. The Captions are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this lease nor the intent of any provision thereof.

## **Definitions:**

34. The term "Owner" as used in this lease means only the owner of the fee or of the leasehold of the building, or the mortgagee in possession for the time being, of the land and building (or the owner of a lease of the building or of the land and building) of which the demised premises form a part, so that in the event of any sale or sales or conveyance, assignment or transfer of said land and building or of said lease, or in the event of a lease of said building, or of the land and building, the said Owner shall be and hereby is entirely freed and relieved of all covenants and obligations of Owner hereunder, and it shall be deemed and construed without further agreement between the parties or their successors in interest, or between the parties and the purchaser, grantee, assignee or transferee at any such sale, or the said lessee of the building, or of the land and building, that the purchaser or the lessee of the building has assumed and agreed to carry out any and all covenants and obligations of Owner hereunder. The words "re-enter" and "re-entry" as used in this lease are not restricted to their technical legal meaning. The term "rent" includes the annual rental rate whether so expressed or expressed in monthly installments, and "additional rent." "Additional rent" means all sums which shall be due to Owner from Tenant under this lease, in addition to the annual rental rate. The term "business days" as used in this lease, shall exclude Saturdays, Sundays and all days observed by the State or Federal Government as legal holidays, and those designated as holidays by the applicable building service union employees service contract, or by the applicable Operating Engineers contract with respect to HVAC service. Wherever it is expressly provided in this lease that consent shall not be unreasonably withheld, such consent shall not be unreasonably delayed.

## **Adjacent Excavation-Shoring:**

35. If an excavation shall be made upon land adjacent to the demised premises, or shall be authorized to be made, Tenant shall afford

excavation, a license to enter upon the demised premises for the purpose of doing such work as said person shall deem necessary to preserve the wall or the building, of which demised premises form a part, from injury or damage, and to support the same by proper foundations, without any claim for damages or indemnity against Owner, or diminution or abatement of rent.

## **Rules and Regulations:**

36. Tenant and Tenant's servants, employees, agents, visitors, and licensees shall observe faithfully, and comply strictly with, the Rules and Regulations annexed hereto and such other and further reasonable Rules and Regulations as Owner or Owner's agents may from time to time adopt. Notice of any additional Rules or Regulations shall be given in such manner as Owner may elect. In case Tenant disputes the reasonableness of any additional Rules or Regulations hereafter made or adopted by Owner or Owner's agents, the parties hereto agree to submit the question of the reasonableness of such Rules or Regulations for decision to the New York office of the American Arbitration Association, whose determination shall be final and conclusive upon the parties hereto. The right to dispute the reasonableness of any additional Rules or Regulations upon Tenant's part shall be deemed waived unless the same shall be asserted by service of a notice, in writing, upon Owner, within fifteen (15) days after the giving of notice thereof. Nothing in this lease contained shall be construed to impose upon Owner any duty or obligation to enforce the Rules and Regulations or terms, covenants or conditions in any other lease, as against any other tenant, and Owner shall not be liable to Tenant for violation of the same by any other tenant, its servants, employees, agents, visitors or licensees.

## **Glass:**

37. Owner shall replace, at the expense of Tenant, any and all plate and other glass damaged or broken from any cause whatsoever in and about the demised premises. Owner may insure, and keep insured, at Tenant's expense, all plate and other glass in the demised premises for and in the name of Owner. Bills for the premiums therefore shall be rendered by Owner to Tenant at such times as Owner may elect, and shall be due from, and payable by Tenant when rendered, and the amount thereof shall be deemed to be, and be paid as, additional rent.

## **Estoppel Certificate:**

38. Tenant, at any time, and from time to time, upon at least ten (10) days prior notice by Owner, shall execute, acknowledge and deliver to Owner, and/or to any other person, firm or corporation specified by Owner, a statement certifying that this lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), stating the dates to which the rent and additional rent have been paid, stating whether or not there exists any default by Owner under this lease, and, if so, specifying each such default and such other information as shall be required of Tenant.

## **Directory Board Listing:**

39. If, at the request of, and as accommodation to, Tenant, Owner shall place upon the directory board in the lobby of the building, one or more names of persons or entities other than Tenant, such directory board listing shall not be construed as the consent by Owner to an assignment or subletting by Tenant to such persons or entities.

## **Successors and Assigns:**

40. The covenants, conditions and agreements contained in this lease shall bind and inure to the benefit of Owner and Tenant and their respective heirs, distributees, executors, administrators, successors, and except as otherwise provided in this lease, their assigns. Tenant shall look only to Owner's estate and interest in the land and building for the satisfaction of Tenant's remedies for the collection of a judgment (or other judicial process) against Owner in the event of any default by Owner hereunder, and no other property or assets of such Owner (or any partner, member, officer or director thereof, disclosed or undisclosed), shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under, or with respect to, this lease, the

to the person causing or authorized to cause such

relationship of Owner and Tenant hereunder, or Tenant's use and occupancy of the demised premises.

SEE RIDER ANNEXED HERETO AND MADE PART HEREOF

In Witness Whereof, Owner and Tenant have respectively signed and sealed this lease as of the day and year first above written.

BRICKMAN 95 MORTON LLC



Witness for Owner

\_\_\_\_\_

BY:

\_\_\_\_\_  
Name/Title:

[L.S.]

INTEGRAL AD SCIENCE, INC.,

Witness for Tenant:

\_\_\_\_\_

BY:

\_\_\_\_\_  
Name/Title:



ACKNOWLEDGEMENT

STATE OF NEW YORK,

SS.:

COUNTY OF

On the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
NOTARY PUBLIC



**RULES AND REGULATIONS ATTACHED TO AND  
MADE A PART OF THIS LEASE  
IN ACCORDANCE WITH ARTICLE 36.**

1. The sidewalks, entrances, driveways, passages, courts, elevators, vestibules, stairways, corridors or halls shall not be obstructed or encumbered by Tenant or used for any purpose other than for ingress or egress from the demised premises and for delivery of merchandise and equipment in a prompt and efficient manner, using elevators and passageways designated for such delivery by Owner. There shall not be used in any space, or in the public hall of the building, either by Tenant or by jobbers or others in the delivery or receipt of merchandise, any hand trucks, except those equipped with rubber tires and sideguards. If said premises are situated on the ground floor of the building, Tenant shall further, at Tenant's expense, keep the sidewalk and curb in front of said premises clean and free from ice, snow, dirt and rubbish.

2. The water and wash closet and plumbing fixtures shall not be used for any purposes other than those for which they were designed or constructed, and no sweepings, rubbish, rags, acids or other substance shall be deposited therein, and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by Tenant, whether or not caused by Tenant, its clerks, agents, employees or visitors.

3. No carpet, rug or other article shall be hung or shaken out of any window of the building; and Tenant shall not sweep or throw, or permit to be swept or thrown substances from the demised premises, any dirt or other substance into any of the corridors of halls, elevators, or out of the doors or windows or stairways of the building, and Tenant shall not use, keep, or permit to be used or kept, any foul or noxious gas or substance in the demised premises, or permit or suffer the demised premises to be occupied or used in a manner offensive or objectionable to Owner or other occupants of the buildings by reason of noise, odors, and or vibrations, or interfere in any way, with other tenants or those having business therein, nor shall any bicycles, vehicles, animals, fish or birds be kept in or about the building. Smoking or carrying lighted cigars or cigarettes in the elevators of the building is prohibited.

4. No awnings or other projections shall be attached to the outside walls of the building without the prior written consent of Owner.

5. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by Tenant on any part of the outside of the demised premises or the building, or on the inside of the demised premises if the same is visible from the outside of the demised premises, without the prior written consent of Owner, except that the name of Tenant may appear on the entrance door of the demised premises. In the event of the violation of the foregoing by Tenant, Owner may remove same without any liability, and may charge the expense incurred by such removal to Tenant. Interior signs on doors and directory tablet shall be inscribed, painted, or affixed for Tenant by Owner at the expense of Tenant, and shall be of a size, color and style acceptable to Owner.

6. Tenant shall not mark, paint, drill into, or in any way deface any part of the demised premises or the building of which they form a part. No boring, cutting, or stringing of wires shall be permitted, except with the prior written consent of Owner, and as Owner may direct. Tenant shall not lay linoleum, or other similar floor covering, so that the same shall come in direct contact with the floor of the demised premises, and, if linoleum or other similar floor covering is desired to be used, an interlining of builder's deadening felt shall be first affixed to the floor, by a paste or other material, soluble in water, the use of cement or other similar adhesive material being expressly prohibited.

7. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by Tenant, nor shall any changes be made in existing locks or mechanism thereof. Tenant must, upon the termination of his tenancy, restore to Owner all keys of stores, offices and toilet rooms, either furnished to, or otherwise procured by, Tenant, and in the event of the loss of any keys, so furnished, Tenant shall pay to Owner the cost thereof.

8. Freight, furniture, business equipment, merchandise and bulky matter of any description shall be delivered to and removed from the demised premises only on the freight elevators and through the service entrances and corridors, and only during hours, and in a manner approved by Owner. Owner reserves the right to inspect all freight to be brought into the building, and to exclude from the building all freight which violates any of these Rules and Regulations of the lease, of which these Rules and Regulations are a part.

9. Tenant shall not obtain for use upon the demised premises ice, drinking water, towel and other similar services, or accept barbering or bootblacking services in the demised premises, except from persons authorized by Owner, and at hours and under regulations fixed by Owner. Canvassing, soliciting and peddling in the building is prohibited and Tenant shall cooperate to prevent the same.

10. Owner reserves the right to exclude from the building all persons who do not present a pass to the building signed by Owner. Owner will furnish passes to persons for whom any Tenant requests same in writing. Tenant shall be responsible for all persons for whom it requests such pass, and shall be liable to Owner for all acts of such persons. Notwithstanding the foregoing, Owner shall not be required to allow Tenant or any person to enter or remain in the building, except on business days from 8:00 a.m. to 6:00 p.m. and on Saturdays from 8:00 a.m. to 1:00 p.m. Tenant shall not have a claim against Owner by reason of Owner excluding from the building any person who does not present such pass.

11. Owner shall have the right to prohibit any advertising by Tenant which in Owner's opinion, tends to impair the reputation of the building or its desirability as a loft building, and upon written notice from Owner, Tenant shall refrain from or discontinue such advertising.

12. Tenant shall not bring, or permit to be brought or kept, in or on the demised premises, any inflammable, combustible, explosive, or hazardous fluid, material, chemical or substance, or cause or permit any odors of cooking or other processes, or any unusual or other objectionable odors, to permeate in, or emanate from, the demised premises.

13. Tenant shall not use the demised premises in a manner which disturbs or interferes with other tenants in the beneficial use of their premises.

14. Refuse and Trash. (1) Compliance by Tenant. Tenant covenants and agrees, at its sole cost and expense, to comply with all present and future laws, orders, and regulations, of all state, federal, municipal, and local governments, departments, commissions and boards regarding the collection, sorting, separation and recycling of waste products, garbage, refuse and trash. Tenant shall sort and separate such waste products, garbage, refuse and trash into such categories as provided by law. Each separately sorted category of waste products, garbage, refuse and trash shall be placed in separate receptacles reasonably approved by Owner. Tenant shall remove, or cause to be removed by a contractor acceptable to Owner, at Owner's sole discretion, such items as Owner may expressly designate. (2) Owner's Rights in Event of Noncompliance. Owner has the option to refuse to collect or accept from Tenant waste products, garbage, refuse or trash (a) that is not separated and sorted as required by law or (b) which consists of such items as Owner may expressly designate for Tenant's removal, and to require Tenant to arrange for such collection at Tenant's sole cost and expense, utilizing a contractor satisfactory to Owner. Tenant shall pay all costs, expenses, fines, penalties or damages that may be imposed on Owner or Tenant by reason of Tenant's failure to comply with the provisions of this Building Rule 14, and, at Tenant's sole cost and expense, shall indemnify, defend and hold Owner harmless (including reasonable legal fees and expenses) from and against any actions, claims and suits arising from such noncompliance, utilizing counsel reasonably satisfactory to Owner.

Address

Premises

TO

STANDARD FORM OF



Loft  
Lease

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Dated \_\_\_\_\_ in the year \_\_\_\_\_

Rent Per Year

Rent Per Month

Term  
From \_\_\_\_\_  
To \_\_\_\_\_

Drawn by .....

Checked by .....

Entered by .....

Approved by .....

**ADDENDUM TO STANDARD FORM OF LOFT LEASE and RIDER** attached thereto, dated July\_\_\_\_, 2014, by and between **BRICKMAN 95 MORTON, LLC**, having an office c/o Brickman Associates, 712 Fifth Avenue, New York, New York 10019 (“Landlord”) and **INTEGRAL AD SCIENCE, INC.**, having an office at 37 East 18<sup>th</sup> Street, 7<sup>th</sup> Floor, New York, New York 10003 (“Tenant”).

1. Addendum Provisions Prevail. If and to the extent any of the following footnotes conflict or are otherwise inconsistent with any of the printed provisions of the Rider to this Lease to which the footnotes relate, whether or not such inconsistency is expressly noted in the footnotes, the provisions of the footnotes shall prevail.

2. Paragraph 3 (Tenant Alterations) of the Lease is amended as follows:

(a) in the third (3rd) line therein, after the word “Owner”, by the addition of the following language: “which consent shall not be unreasonably delayed or withheld”;

(b) in the eighth (8th) line therein, after the word “Owner”, by the addition of the following language: “which consent shall not be unreasonably withheld or delayed”;

(c) in the sixteenth (16th) line therein, after the word “may”, by the addition of the word “reasonably”; and

(d) in the twenty-ninth (29th) line therein, prior to the word “Nothing”, by the inclusion of the following sentence: “Notwithstanding the foregoing, Tenant shall have no obligation to remove any of the “Landlord’s Work” (as hereinafter defined).”

3. Paragraph 4 (Repairs) of the Lease is amended as follows:

(a) in the ninth (9th) line therein, after the word “omission”, by the inclusion of the following: “(where Tenant had a duty to act)”; and

(b) by the addition of the following sentences at the end of the paragraph:

“Except to the extent necessitated by the negligence or willful misconduct of Tenant or its employees or business invitees, Landlord shall promptly make, at its sole cost and expense, all necessary repairs to the foundation, common areas, exterior walls, roof and other structural components of the Building and the demised premises, including sewer, water and gas lines, and all repairs necessitated by any hidden or latent defects to the Building or the demised premises, or by the presence or exposure of any asbestos-containing materials.

In the event the cost of any repairs or replacements to the demised premises required to be made by Tenant under this Lease, should, under generally accepted accounting principles, be capitalized over the useful life of such repair or replacement (or over some other period of time in accordance with a tax depreciation schedule), as opposed to being fully deducted for the tax year such expense was incurred, then, notwithstanding anything to the contrary set forth in this Lease, Landlord shall be responsible for making such repair at Landlord’s expense, and Tenant shall only be responsible for reimbursing Landlord, on an annual basis for the then remaining duration of the term hereof (as such term may be extended), for that portion of the cost of such repair or replacement which is equal to the total cost of such repair or replacement divided by the useful life of such repair (or tax depreciation period) as measured in years.

4. Paragraph 8 (Tenant’s Liability Insurance, Property Loss, Damage, Indemnity) of the Lease is amended as follows:

(a) in the seventh (7th) line, after the word “negligence”, by the addition of the words “or willful misconduct”;

(b) beginning in the thirteenth (13th) line therein, by the deletion of the following language: “for any reason whatsoever including, but not limited to Owner’s own acts”; and

(c) by the inclusion of the following language at the end of this paragraph:

“As of the date of this Lease, Landlord represents, warrants and covenants with Tenant that, to the best of the Landlord’s knowledge and belief, there are no asbestos-containing materials, in or about the demised premises.

5. Paragraph 9 (Destruction, Fire and Other Casualty) of the Lease is amended as follows:

- (a) in the seventh (7th) line therein, preceding the word “repaired,” by the inclusion of “promptly”;
- (b) in the tenth (10th) line therein, by the deletion of “following” and the substitution of the word “of in place thereof”;
- (c) in the eleventh (11th) line therein, at the end of subsection (b), by the addition of the following:

“provided that if the undamaged portion of the demised premises is inadequate for the conduct of Tenant’s business activities, as reasonably determined by Tenant, then rent shall abate fully until the demised premises are fully restored by Landlord”;

- (d) in the twenty-seventh (27th) line therein, following the word “date,” by the inclusion of “of casualty”;
- (e) in the forty-second (42nd) line therein, by the deletion of “five (5)” and the insertion of “twenty (20) in place thereof”;
- (f) by the deletion of the first sentence in subsection (e) thereof; and
- (g) by the addition of the following language at the end thereof:

“Notwithstanding anything to the contrary set forth in this Paragraph 9, in the event (i) the demised premises are not repaired to Tenant’s reasonable satisfaction within three hundred sixty five (365) days from the date of such casualty or damage, or (ii) any material portion of the demised premises, or Tenant’s access thereto, is damaged or interfered with within the final twenty four (24) months of the term of this Lease, then, in either such event, the Tenant may elect to terminate this Lease effective upon delivery of written notice of such election to Landlord, in which event Landlord shall promptly return the Tenant’s Security Deposit, together with all interest earned thereon, and the parties hereto shall thereafter have no further obligation to one another by reason of this Lease, except with respect to such matters and indemnities as are expressly provided to survive the termination or expiration of the term of this Lease.”

6. Paragraph 10 (Eminent Domain) of the Lease is amended by the addition of the following sentence at the end thereof:

“Nothing herein shall preclude Tenant from filing a claim for the value of any leasehold improvements and trade fixtures instructed or installed at Tenant’s expense and for Tenant’s moving and relocation expenses so long as same does not reduce Landlord’s award.”

7. Paragraph 11 (Assignment, Mortgage, Etc.) of the Lease is amended as follows:

(a) in the seventh (7th) line therein, at the end of the first sentence, by the addition of the following language: “, which consent shall not be unreasonably withheld, delayed or conditioned.”

(b) in the seventh (7th) line therein, after the word “Tenant”, by the addition of the following: “(except if such stock is publicly sold or transferred)”

8. Paragraph 13 (Access to Demised Premises) of the Lease is amended as follows:

(a) in the fourth (4th) line therein, following the word “times,” by the inclusion of “upon reasonable advance notice to Tenant”;

(b) in the fifth (5th) line therein, by the deletion of “and improvements”;

(c) by the addition of the following language at the end of the first sentence:”, provided Landlord shall undertake all such repairs and replacements in a manner reasonably designed to minimize any interference with, or interruption of, Tenant’s use or access to the demised premises.”

(d) in the nineteenth (19th) line therein, following the word “hours” by the addition of “and upon reasonable advance notice to Tenant”;

(e) beginning in the twenty-eighth (28<sup>th</sup>) line therein, by the deletion of “such entry shall not render Owner or its agents liable therefor, nor in any event shall the obligations of Tenant be affected” and by the inclusion of the following language in place therefor: “provided, however, that Owner shall remain liable for its negligence or misconduct therefor; and

(f) in the thirty-first (31<sup>st</sup>) line, by deleting the following: “or substantially all”.

9. Paragraph 15 (Occupancy) of the Lease is amended by the deletion of the second sentence therein which reads as follows: “In any event, Owner makes no representation as to the condition of the demised premises and Tenant agrees to accept the same subject to violations whether or not of record.”

10. Paragraph 16 (b) (Bankruptcy) of the Lease is amended as follows:

(a) beginning in the third (3rd) line therein, by addition of the words “but subject to applicable bankruptcy law” after the word “contrary”;

and

(b) by the inclusion of the following provision at the end thereof:

“Notwithstanding anything to the contrary contained herein, Tenant shall be afforded a period of ninety (90) days in which to procure the dismissal of an involuntary bankruptcy proceeding before such proceeding shall constitute a default hereunder.”

(c) by the deletion of the final sentence in Paragraph 16 (b).

11. Paragraph 17 (Default) (1) of the Lease is amended as follows:

(a) in the fourth (4th) line therein, after the word “deserted”, by the addition of: “for ninety (90) consecutive days”;

(b) by the deletion of “five (5)” and the substitution of “ten (10)” therefor in the four places appearing in subparagraph (1) therein; and

(c) by the deletion of “three (3)” and the substitution of “ten (10)” therefor, in the three places appearing in subparagraph (1) therein.

12. Paragraph 17 (Default) (2) of the lease is amended as follows:

(a) by the inclusion of the following language, following the word “required” on the fifth (5th) line therein: “which payment default continues for a period of ten (10) days after landlord provides notice of same to Tenant.”;

(b) on the sixth (6th) line therein, by the deletion of “without notice” and by the substitution of: “upon ten (10) days written notice” in place thereof;

(c) on the fifth (5<sup>th</sup>) line therein, by the deletion of “by force or otherwise” and by the substitution of: “upon receipt of appropriate judicial order” in place thereof.

13. Paragraph 18 (Remedies of Owner and Waiver of Redemption) of the Lease is amended as follows:
- (a) in the ninth (9th) line therein, following the word “grant,” by the inclusion of “reasonable and customary”;
  - (b) in the twentieth (20th) line therein, preceding the word “expenses,” by the inclusion of “reasonable”; and
  - (c) in the thirtieth (30th) line therein, by the deletion of the word “sole” and the substitution of the word “reasonable” in place thereof.
14. Paragraph 19 (Fees and Expenses) of the Lease is amended as follows:
- (a) in the seventh (7th) line therein, by the deletion of the language “immediately or at any time thereafter and without notice” and the substitution of the following language therefor: “upon reasonable advance notice to Tenant.”
  - (b) in the eleventh (11th) line therein, by the inclusion of the word “reasonable” before “attorney’s fees”.
15. Paragraph 20 (Building Alterations and Management) of the Lease is amended as follows:
- (a) by addition of the words “upon reasonable advance notice to Tenant” following the words “any time” in the first line (1st) therein; and
  - (b) by the addition of the following language at the start of the second sentence therein: “Provided all such changes are effected in a manner which does not interfere with, or interrupt, Tenant’s access to or use of the demised premises or Building common areas,”
  - (c) by inclusion of the following language at the end thereof: “provided such controls are reasonable and Landlord notifies Tenant in writing before imposition thereof.”
16. Paragraph 21 (No Representations by Owner) is amended by the addition of the following language at the end thereof:
- “Notwithstanding anything to the contrary contained in this Lease, Owner represents, warrants and covenants to Tenant, as of the commencement of the Lease term, that (i) there are no restrictions in any recorded instrument or in any agreement not of record to which the Owner, or a previous owner of the building, is a party which prohibits or restricts the Tenant’s Permitted Use of the demised premises, as stated in this Lease; (ii) this Lease and the terms hereof are not prohibited by the terms of any superior lease, mortgage, or other financing document, constituting a lien against the building; (iii) the Owner is the owner, in fee simple, of the building and the person(s) executing this Lease on behalf of Owner have the authority to cause Owner to enter into this Lease, and (iv) the demised premises and all HVAC, plumbing, and electric systems serving the demised premises will be in good, working order on the commencement of the Lease term.”
17. Paragraph 22 (End of Term) of the Lease is amended by the inclusion of the following language, after the word “wear” on the fourth (4th) line therein: “and damage due to casualty.”
18. Paragraph 23 (Quiet Enjoyment) of the Lease is amended by the deletion of the language “including, but not limited to Article 34 hereof and to the ground leases, underlying leases and mortgages hereinbefore mentioned.”
19. Paragraph 24 (Failure to Give Possession) of the Lease is amended as follows:
- (a) in the first (1st) line therein, by the inclusion of “exclusive” following the word “give”.



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20. Paragraph 31 (Elevator, Heat, Cleaning) of the Lease is amended as follows:

(a) in the first line therein, by deleting “As long as Tenant is not in default under any of the covenants of this Lease,”

(b) in the tenth (10<sup>th</sup>) line therein, by deleting “by law” and by substituting “by Tenant” in place thereof.

21. Paragraph 32 (Security) of the Lease is amended as follows:

(a) in the twenty-third (23<sup>rd</sup>) line therein, by the deletion of “have the right to”

[Remainder of Page Intentionally Left Blank.]

22. Paragraph 34 (Definitions) of the Lease is amended as follows:

(a) in the fourteenth (14<sup>th</sup>) line therein, after the word “hereunder”, by the insertion of first arising or accruing after the effective date of such sale of the Owner’s interest”

LANDLORD:

BRICKMAN 95 MORTON LLC

By: \_\_\_\_\_

Name:

Title:

TENANT:

INTEGRAL AD SCIENCE, INC.

By: \_\_\_\_\_

Name:

Title:

**RIDER ANNEXED TO AND FORMING A PART OF  
AGREEMENT OF LEASE  
DATED AS OF JULY \_\_, 2014  
BY AND BETWEEN BRICKMAN 95 MORTON LLC (“LANDLORD”)  
AND INTEGRAL AD SCIENCE, INC. (“TENANT”)**

**(The terms “demised premises,” “Demised Premises” or “Premises” are those premises demised to the Tenant hereunder located the entire Eighth (8<sup>th</sup>) Floor, consisting of approximately 25,123 rentable square feet, in the Building known as 95 Morton Street, New York, New York 10014.)**

If any provision of this Rider conflicts or is inconsistent with any provision of Articles 1 through 40 of this Lease, the terms of this rider shall govern and prevail and the provisions of Articles 1 through 40 shall be deemed amended accordingly.

**41. Fixed Rent; Additional Rent; Commencement; Term.**

(a) The term of this Lease (the “Term”) shall commence on the date possession of the demised premises is delivered to Tenant with Landlord’s Work (as defined in Article 89 below) is substantially completed (the “Commencement Date”) and, shall expire, unless sooner terminated or renewed, on the last day of the tenth (10<sup>th</sup>) Lease Year (as defined herein) (the “Expiration Date”). Notwithstanding anything to the contrary contained herein, the Commencement Date shall not occur prior to August 1, 2014. In addition to the foregoing, in the event the Commencement Date has not occurred on or before October 1, 2014, subject to extension due to Tenant Delay (as defined herein), then Tenant shall be entitled to a credit against Fixed Rent on a one day basis for each day beyond October 1, 2014 that the Commencement Date has not occurred, such credit to be applied to the Fixed Rent first coming due after the Rent Commencement Date. In the event the Commencement Date has not occurred on or before December 31, 2014, subject to extension due to Tenant Delay (as defined herein), then Landlord or Tenant shall be entitled to terminate this Lease on ten (10) days written notice to the other given no later than January 15, 2015. Tenant covenants and agrees to pay to Landlord fixed rent (the “Fixed Rent”), commencing as of the Commencement Date through and including the Expiration Date, as follows:

<u>Period</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
Lease Year 1	\$1,607,872.00	\$133,989.33
Lease Year 2	\$1,640,029.44	\$136,669.12
Lease Year 3	\$1,672,830.03	\$139,402.50
Lease Year 4	\$1,706,286.63	\$142,190.55
Lease Year 5	\$1,740,412.36	\$145,034.36
Lease Year 6	\$1,925,958.61	\$160,496.55
Lease Year 7	\$1,964,477.78	\$163,706.48
Lease Year 8	\$2,003,767.34	\$166,980.61
Lease Year 9	\$2,043,842.68	\$170,320.22
Lease Year 10	\$2,084,719.54	\$173,726.63

As used herein, “Lease Year” shall mean the twelve (12) month period commencing on the Rent Commencement Date, except (i) to the extent the Rent Commencement Date is the first day of a calendar month, the First Lease Year shall commence on the Commencement Date, continue through the Rent Commencement Date and conclude on the day before the first anniversary of the Rent Commencement Date, and each Lease Year thereafter shall be the next consecutive twelve calendar month period, and (ii) to the extent the Rent Commencement Date is not the first day of a calendar month, the First Lease Year shall be the period commencing on the Commencement Date, continuing through the Rent Commencement Date and concluding on the last day of the calendar month in which the first anniversary of the Rent Commencement Date occurs, and each Lease Year thereafter shall be the next consecutive twelve calendar month period.

(b) (i) Tenant may extend the Term of this Lease for all of the demised premises (including any right of first offer space should Tenant have elected to exercise such right of first offer provided under this Lease) (the “Renewal Option”) for one (1) additional five (5) year period (the “Renewal Period”), on notice given to Landlord not less than nine (9) months and not more than twelve (12) months prior to the Expiration Date of this Lease. **TIME SHALL BE OF THE ESSENCE** with respect to the giving of the notice. Failure

to give such notice shall be deemed a waiver of the right to extend and once sent, the Renewal Option shall be irrevocable. Notwithstanding the foregoing, in the event a default beyond the expiration of all notice, cure and grace periods is continuing under the Lease at the time of the exercise of the Renewal Option or at the commencement of the Renewal Period, Landlord may refuse to extend the Term of the Lease, and it shall be as if Tenant never exercised its Renewal Option. The Renewal Period shall be on all the same terms and conditions of this Lease except that the Fixed Rent (as defined below) for the first year of the Renewal Period shall be one hundred percent (100%) of the fair market value for comparable space in the market at such time (the "FMV"). The FMV shall be based on all relevant factors for similar office tenants comparable buildings in the Hudson Square office market of Manhattan.

(ii) If Tenant exercises its Renewal Option, then beginning nine (9) months prior to the beginning of the Renewal Period, Landlord and Tenant shall use good faith efforts to attempt to agree upon the FMV of the demised premises. If, within sixty (60) days following such date, they are unable to agree upon the FMV, Landlord and Tenant shall each hire a licensed and reputable real estate broker or appraiser having at least 10 years experience with commercial real estate in the downtown New York City market (respectively, "Landlord's Broker" and "Tenant's Broker"). If, Landlord's Broker and Tenant's Broker are unable to agree upon a determination of the FMV for the demised premises by the ninetieth (90th) day prior to the beginning of the Renewal Period, then they shall select a mutually acceptable third licensed real estate broker or appraiser having at least 10 years experience with commercial real estate in the downtown New York City market area (the "Third Broker") (and if they are unable to so agree on a Third Broker, the selection shall be made, upon application of Landlord or Tenant, by the American Arbitration Association having a chapter closest to the demised premises), which Third Broker shall within thirty (30) days choose either the determination of the FMV of Landlord's Broker or Tenant's Broker to be the FMV for the demised premises and such choice shall be binding on Landlord and Tenant; provided, however, if the determination of the FMV of Landlord's Broker and Tenant's Broker differ by \$50,000 or less per year, then the FMV for the demised premises shall be deemed to be the average of the two estimates and there shall be no need for the Third Broker. Landlord and Tenant shall each pay the fee of their own broker and shall share equally the cost of the Third Broker and of any proceedings necessary to select the Third Broker.

(iii) If the Renewal Period commences prior to a determination of the Fixed Rent for the Renewal Period, then the amount to be paid by Tenant on account of Fixed Rent from the commencement of the Renewal Period until such determination has been made shall be the Fixed Rent payable for the last year of the Term. After the Fixed Rent during the Renewal Period has been determined as aforesaid, any resulting shortfall due from Tenant shall be remitted to Landlord within twenty (20) days after such determination or any resulting overcharge by Landlord shall be remitted to Tenant within thirty (30) days after such determination.

(iv) The Renewal Option shall be personal to Tenant and shall not be transferrable by Tenant to any third party, including, without limit, any permitted subtenant or assignee other than a Permitted Transferee (as defined herein).

(c) The Fixed Rent shall be payable in equal monthly installments in advance on the first day of each calendar month during the Term of this Lease, without notice or demand and without any set-off, abatement or deduction whatsoever, except as provided for in this Lease; provided that, simultaneously with its execution hereof, Tenant is paying the first full calendar month's Fixed Rent. In the event that the Term commences on other than the first (1st) day of a calendar month, Tenant shall pay to the Landlord its pro-rata share of the Fixed Rent for such partial calendar month.

(d) All payments other than the annual Fixed Rent to be made by Tenant pursuant to this Lease shall be deemed "Additional Rent" and, in the event of any nonpayment thereof, Landlord shall have all rights and remedies provided for herein or by law for nonpayment of rent. Tenant shall have thirty (30) days from its receipt of any Additional Rent statement to notify Landlord, by certified mail, return receipt requested, that it disputes the correctness of such statement. After the expiration of such thirty (30) day period, such statement shall be binding and conclusive upon Tenant. If Tenant disputes the correctness of any such statement, Tenant shall, as a condition precedent to its right to contest such correctness, make payment of the Additional Rent billed, without prejudice to its position. If such dispute is finally determined in Tenant's favor, Landlord shall refund to Tenant the amount overpaid. Notwithstanding anything contained herein to the contrary, any invoice (as opposed to rent demand) for payment of any non-recurring item of Additional Rent (which specifically excludes invoices for Fixed Rent and Real Estate Taxes) shall be sent by first-class mail, postage pre-paid, together with an email to \*\*\*\*\* and shall be deemed effective three (3) days after mailing.

(e) In the event Tenant fails to pay any item of Additional Rent, Landlord shall have all of the rights and remedies provided for in this Lease, at law and in equity in the case of the non-payment of Fixed Rent. The word "Rent" when used in this Lease shall mean and include Fixed Rent, Additional Rent and all other charges payable hereunder by the Tenant.

(f) The Tenant hereby specifically authorizes and directs the Landlord to apply any Rent received in the manner in which the Landlord deems appropriate.

(g) For the purposes of this Lease, a demand for payment of Fixed Rent and/or Additional Rent by the Landlord shall be sufficient for all purposes if sent by certified mail, return receipt requested.

(h) If Tenant shall fail to pay any installment of Fixed Rent or Additional Rent within five (5) days after same is due and payable, Tenant shall pay a late fee equal to five percent (5%) of the amount of such unpaid installment of Fixed Rent or Additional Rent. In addition, any amount of Fixed Rent or Additional Rent which is not paid when due shall bear interest at a rate equal to the lesser of (i) fifteen percent (15%) per annum, or (ii) the maximum rate of interest permitted by law (the "Default Rate") beginning on the fifth (5<sup>th</sup>) day after such amount is due until paid. Payment of the late fee or interest shall not excuse or cure any default by Tenant under this Lease. The parties agree that the payment of the late fee and interest are distinct and separate from one another in that the payment of the late fee is to compensate Landlord for its additional administrative expenses in handling and processing delinquent payments and the interest is to compensate Landlord for its inability to use the money improperly withheld by Tenant. The charges payable pursuant to this Section 41(h) shall be (x) payable on demand and (y) without prejudice to any of Landlord's rights and remedies hereunder, at law or in equity for nonpayment or late payment of Rent or other sum. The waiver by Landlord of the payment of late charges and interest as provided in this Section 41(h) shall not constitute a waiver by Landlord of its right to enforce the provisions of this Section in any instance prior or thereafter occurring. Notwithstanding anything to the contrary contained herein, the foregoing late fee and default interest charge shall be waived with respect to the first late payment of any non-recurring item of Additional Rent (which specifically excludes late payment of Fixed Rent and Real Estate Taxes). The provisions of this Section 41(h) shall not be construed in any way to extend the grace periods or notice periods provided for in Article 17 of this Lease. Failure to comply with the terms hereof shall constitute a material event of default hereunder.

(i) All Rent and other payments required to be paid by Tenant hereunder, if more than five (5) days late, shall be paid by certified or bank check only. Furthermore, in addition to all of the rights and remedies available to Landlord, in the event Tenant makes any payments owed to Landlord more than ten (10) days late (each a "Late Payment") twice during any consecutive twelve (12) month period, the Tenant shall make all further payments pursuant to this Lease, whether timely or late, by certified or bank check, until such time as the Landlord determines that a unendorsed check will be acceptable. Failure to comply with the terms hereof shall constitute a material event of default hereunder.

(j) Provided this Lease is in full force and effect, Tenant's obligation to pay Fixed Rent shall not commence until the date that is six (6) months after the Commencement Date (such date the "Rent Commencement Date," such period the "Free Rent Period"). Notwithstanding the foregoing, during the Free Rent Period, Tenant shall use and occupy the demised premises pursuant to all of the other terms, covenants, conditions and provisions of this Lease, including, without limitation, the obligation to pay any and all Additional Rent due under this Lease, including without limitation utility charges and escalations.

#### **42. Use Restrictions; Conduct of Business.**

(a) Tenant covenants and agrees that it will use and occupy the demised premises as executive and general offices, and for no other use or purpose (the "Permitted Use"). Tenant's business and activities at the demised premises shall at all times be consistent and compatible with the character and dignity of the Building, as determined by Landlord in its sole but reasonable discretion.

(b) It is understood and agreed that the demised premises are to be occupied only as hereinbefore provided for the Permitted Use. Tenant expressly covenants and agrees not to manufacture or permit any manufacturing of any kind, character or nature to be carried on in the demised premises or any part thereof; nor shall it permit retail sales from the demised premises; nor shall it permit any food concession to operate out of or in or about the demised premises; nor shall it use or store or permit the usage or storage of any toxic, hazardous, explosive, combustible or flammable substances at any time within or about the demised premises; and these covenants on the part of Tenant are an express inducement to Landlord to enter into this Lease.

(c) Tenant agrees to conduct its business solely and exclusively within the demised premises and shall not affix to any walls in the common areas of the Building or on its exterior door any placard, paper, notice or other announcement without the Landlord's prior written consent. In addition, Tenant agrees to not "hand out" or otherwise distribute or disseminate any written materials, whether in the nature of an advertisement, announcement, notice or otherwise within the common areas of the Building, or the areas immediately outside or near the Building.

**43. Intentionally Omitted.**

**44. Real Estate Taxes.**

(a) "Taxes" shall mean the total of all real estate taxes, water charges, sewer charges, vault charges, frontage charges, and assessments and special assessments imposed upon the Building and the land, from time to time. If at any time during the Term of this Lease the methods of taxation prevailing at the commencement of the Term hereof shall be altered so that in lieu of or as an addition to or as a substitute for the whole or any part of the taxes, assessments, levies, impositions or charges now levied, assessed or imposed on real estate and the improvements thereon, there shall be levied, assessed or imposed (i) a tax, assessment, levy, imposition or charge wholly or partially as a capital levy or otherwise on the rents received therefrom, or (ii) a tax, assessment, levy, imposition or charge measured by or based in whole or in part upon the demised premises and imposed upon Landlord, or (iii) a license fee measured by the rents payable by Tenant to Landlord, then all such taxes, assessments, levies, impositions or charges, or the part thereof so measured or based, same shall be deemed to be included within the term "Taxes" for the purposes hereof. "Real Estate Taxes" shall not mean or include: (1) municipal, state or federal income taxes assessed against Landlord; municipal, state or federal estate, succession, corporate, inheritance or transfer taxes of Landlord; or corporation franchise taxes imposed upon any corporate owner of the Building; (2) taxes resulting from or attributable to any assessment for improvements in excess of the then current Building standard relating to tenantable space occupied by others in the Building; (3) taxes for which Landlord is reimbursed by Tenant or other tenants of the Building under similar provisions of their leases, including retail tenants; (4) taxes resulting from an increased assessment upon completion of any additions, alterations, improvements or renovations to rentable areas of the Building; and (5) any interest or penalties which may become due by reason of the failure to pay any Real Estate Taxes when same are due and payable, unless attributable to Tenant's late payment of same.

(b) "Base Tax Year" shall mean the Taxes for the calendar year 2015 (i.e., the blend of the New York City fiscal year 2014/2015 (commencing on July 1, 2014 and ending June 30, 2015) and the New York City fiscal year 2015/2016 (commencing on July 1, 2015 and ending June 30, 2016));

(c) "Base Tax Rate" shall mean the Taxes, as finally determined for the Base Tax Year;

(d) "Tax Year" shall mean the fiscal year for which Taxes are levied by the governmental authority;

(e) "Tenant's Proportionate Share" shall mean for purposes of this Lease and all calculations in connection herewith 13%.

(f) From and after January 1, 2016, if the Taxes for any Tax Year, as finally determined, shall be more than the Base Tax Rate, whether if due to a change in assessment, changes in rate or otherwise, as determined by the taxing authority, Tenant shall pay, as Additional Rent for such Tax Year, an amount equal to Tenant's Proportionate Share of the amount by which the Taxes for such Tax Year are greater than the Base Tax Rate. (The amount payable by Tenant is hereinafter referred to as the "Tax Payment"). The Tax Payment shall be appropriately prorated, if necessary, to correspond with that portion of a Tax Year occurring within the Term of this Lease. The Tax Payment shall be payable by Tenant within thirty (30) days after receipt of a demand from Landlord therefor, which demand shall set forth Landlord's computation of the Tax Payment and be accompanied by copies of the relevant tax statements received from the taxing authority. No delay or failure by the Landlord to furnish a statement or demand payment for more than twenty four (24) months following the due date of the corresponding tax payment shall constitute a waiver of Tenant's obligation to pay any Tax Payment or shall in any way impair the continuing obligations of the Tenant to make Tax Payments. If during the Term, Taxes are required to be paid (either to the appropriate taxing authorities or as tax escrow payments to a Superior Mortgagee or Superior Lessor, as such terms are defined herein) in full or in monthly, quarterly, or other installments, on any other date or dates than as presently required, then at Landlord's option, the Tax Payments shall be correspondingly accelerated or revised so that said Tax Payments are due at least thirty (30) days prior to the date payments are due by Landlord to the taxing authorities or the Superior Mortgagee or Superior Lessor. In the event that the Landlord determines that there may be change in Taxes, then Landlord may determine the Taxes for any comparison year and Tenant shall make the Tax Payments as required hereunder based upon the Landlord's estimate. At such time as the Taxes are finally determined, the Tenant upon demand, in the event of an underpayment, shall pay to the Landlord any deficiency with respect to Tenant's Tax Payments. In the event that the Tenant has overpaid by reason of Landlord's estimate, then in such event the Landlord shall credit to the Tenant, against the next sums payable as Tax Payments, the amount of such overpayment, except in the final Lease Year of the Term, as same may be extended, where such overpayment shall be refunded to Tenant. The benefit of any discount for any early payment or prepayment of Taxes shall accrue solely to the benefit of Landlord and such discount shall not be subtracted from Taxes.

(g) Intentionally omitted.

(h) With respect to any period at the commencement or expiration of the Lease Term which shall constitute a partial Tax Year, Landlord's statement shall apportion the amount of the Tax Payment due hereunder and to the extent that the Tenant has overpaid the Landlord, the Landlord shall apply any amount by which the Tenant has overpaid to next sums payable as Tax Payments, except in the final Lease Year of the Term, as same may be extended, where such overpayment shall be promptly refunded to Tenant. The obligation of Tenant in respect to such Tax Payment applicable for the last year of the Term of this Lease or part thereof shall survive the expiration or termination of the Term, provided that Tenant receives a statement for such Tax Payment no later than twenty four (24) months following the expiration or termination of the Term. The Landlord's obligation to refund any overpayments made by the Tenant shall survive the expiration or termination of this Lease.

(i) Notwithstanding the fact that the increase in rent is measured by an increase in Taxes, such increase is Additional Rent and shall be paid by Tenant as provided herein regardless of the fact that Tenant may be exempt, in whole or in part, from the payment of any Taxes by reason of Tenant's diplomatic or other tax exempt status or for any other reason whatsoever.

(j) Only Landlord shall be eligible to institute tax reduction or other proceedings to reduce the assessed valuation of the Land and Building. Should Landlord be successful in any such reduction proceedings and obtain a rebate or a reduction in assessment for periods during which Tenant has paid Tenant's Proportionate Share of increases in Taxes then Landlord shall, in the event a rebate is obtained, credit against the next sums payable as Tax Payments (except in the final Lease Year of the Term, as same may be extended, where such rebate amount shall be refunded to Tenant) Tenant's Proportionate Share of such rebate (but not an amount in excess of Tenant's Tax Payment) after deducting Tenant's Proportionate Share of Landlord's reasonable expenses, including without limitation, attorneys' fees and disbursements in connection with such rebate (such expenses incurred with respect to a rebate or reduction in assessment being hereinafter referred to as "Tax Expenses"). Notwithstanding the foregoing, Tenant shall not be entitled obtain any portion of the benefits which may accrue to the Landlord from any reduction in Taxes for any Tax Year below those imposed in the Base Year.

(k) Notwithstanding anything to the contrary contained in this Article 44, with respect to the charges assessed against the Building as part of a business improvement district ("BID"), Tenant shall pay to Landlord an amount equal to the Tenant's Proportionate Share times the BID Charges payable by the Landlord; it being understood that Tenant's obligations under this Section 44(k) shall be calculated on a "net" basis.

(l) Anything in this Article 44 to the contrary notwithstanding, in no event whatsoever shall the Fixed Rent be reduced below the Fixed Rent set forth in Article 41 hereof as same may be increased by provisions of this Lease.

(m) Landlord represents to Tenant that as of the date hereof, there are no BID Charges payable under this Lease and there are no tax abatements in place with respect to the Building.

(n) The provisions of this Article 44 shall survive the expiration or termination of this Lease.

#### **45. Operating Expenses.**

There shall be no additional escalation on account of increases in operating expenses of the Building; it being expressly acknowledged by Landlord and Tenant that the two percent (2%) cumulative annual increases Fixed Rent provided in Article 41 are reflected in the rent numbers contained therein and are being paid by Tenant in lieu of any porter-wage, operating expense or similar escalations which would otherwise be due and payable by Tenant to Landlord.

#### **46. Limitations on Landlord's Liability.**

(a) Tenant shall look solely to Landlord's interest in the Building (including proceeds from sale, casualty or condemnation thereof) for the enforcement, collection or satisfaction of any judgment or other judicial process against Landlord, and no other property or assets of Landlord or of any of its partners,

managers, trustees, participants, officers, directors, shareholders, employees, members representatives, agents, parent and/or subsidiary entities and/or individuals, attorneys, insurers, or agents or of any other person shall be subject to levy, execution or other enforcement procedure for the enforcement, collection or satisfaction of any such judgment or other process or any other matter arising under or out of this Lease or the relationship of Landlord and Tenant hereunder, or otherwise. Notwithstanding anything to the contrary contained in this Lease, in the event of a default by Tenant hereunder, no shareholder, partners, member, officer, director or principal of Tenant, whether disclosed or undisclosed, shall have any personal liability under this Lease nor shall any of their property or assets be subject to levy, execution or other enforcement procedure.

(b) If, with respect to any matter for which Landlord's consent or approval is required under this Lease, Landlord has agreed in this Lease not to unreasonably withhold, condition or delay (or any of foregoing qualifications) its consent or approval or, as a matter of law, Landlord may not unreasonably withhold, condition or delay (or any of the foregoing qualifications) its consent or approval, Tenant shall not be entitled to any damages for any withholding, conditioning or delaying (or any one of the foregoing qualifications) by Landlord of its consent or approval, and Tenant's sole and exclusive recourse, right and remedy in such event shall be an action for a declaratory judgment, injunction or specific performance requiring the Landlord to give its consent or approval.

#### **47. Building Renovation.**

Tenant understands and acknowledges that Landlord may alter, restore and/or renovate the entrance lobby and/or other portions of the Building (including, without limitation, the relocation of the entrance to the Building, as well as renovations to the Building's common areas and the exterior and the roof of the Building) and that such alterations, restoration and/or renovation or other work in the Building may result in certain inconveniences or disturbances to Tenant and other occupants of the Building. Tenant agrees that the performance of any such work shall not constitute or be deemed to be a constructive eviction or be grounds for a termination of this Lease or the terms hereof, nor shall the same in any way affect the obligations of Tenant under this Lease, including, without limitation, the obligation to pay the Rents herein reserved or give Tenant the right to claim damages or any matter or thing as against Landlord or Landlord's agent(s) or contractor(s). In the performance of same, Landlord agrees to use commercially reasonable efforts to minimize interference with Tenant's business operations at or access to the demised premises.

#### **48. Environmental Conditions.**

(a) Tenant covenants and agrees that it shall not nor shall it permit any materials to be stored, processed, used on, brought upon, or otherwise brought in contact with the Building and/or the demised premises which are now or hereafter is/are or may be considered a "toxic" or "hazardous" substance under any present or future applicable Environmental Laws (as hereinafter defined). Tenant shall comply with all applicable environmental laws, ordinances, rules, regulations, statutes, decrees, mandates, guidelines or codes relating to such laws (collectively, the "Environmental Laws"). Tenant hereby agrees promptly to notify Landlord in the event that it becomes aware of any violation of any applicable Environmental Laws affecting the Building and/or the demised premises.

(b) Tenant shall, at its sole cost and expense, remediate and comply with any violation of any applicable Environmental Law if such violation is due to or arises out of any act or omission on the part of the Tenant and/or arises out of a breach of any provisions of this Lease by the Tenant, including, without limitation, the provisions of this Article 48. Notwithstanding the foregoing, Landlord may, at its option, and without having the obligation to do so, at Tenant's sole cost and expense, remediate any violation of any Environmental Law caused by Tenant and upon prior written notice to Tenant. The reasonable, out-of-pocket cost thereof shall be paid to the Landlord by the Tenant, within thirty (30) days after demand therefor, as Additional Rent.

(c) Without limiting any other indemnity contained in this Lease, at law, in equity or otherwise, Tenant agrees to indemnify and hold the Landlord, its trustees, members, participants, insurers, parent and/or subsidiary entities, individuals, attorneys, lenders, managers, officers, directors, shareholders, partners, employees, representatives and agents harmless from and against any and all claims, losses, costs, liabilities, damages, and expenses (including, but not limited to, reasonable attorneys fees, court costs and expense) which arise out of or directly relate to Tenant's obligations set forth in this Article 48. The provisions of this Article 48 shall survive the expiration or sooner termination of this Lease.



(d) Notwithstanding anything to the contrary contained herein, Landlord agrees that the demised premises shall be delivered to Tenant free of asbestos containing materials and otherwise in compliance with Environmental Laws. Notwithstanding anything contained herein to the contrary, (i) Landlord shall cure any violations of Environmental Laws that are either caused by Landlord, its agents or contractors, it being agreed that Tenant shall have no responsibility whatsoever for any loss, cost, damage or expense relating to any preexisting contamination of the Demised Premises by any hazardous materials, asbestos or mold, or any contamination by hazardous materials, asbestos or mold, or loss, cost, damage or expense not caused by the act or omission of Tenant and (ii) Landlord shall deliver to Tenant a clean ACP-5 for the Demised Premises as part of Landlord's Work pursuant to Article 89 below.

#### **49. Cleaning.**

(a) Tenant, at its sole cost and expense, shall be solely liable and responsible for cleaning the demised premises. Tenant covenants and agrees to use only the third-party contractors designated by Landlord to provide cleaning services in the Building of which the demised premises form a part or contractor or contractors selected by Tenant and reasonably approved in advance by Landlord for any waxing, polishing and other maintenance work of the demised premises and of Tenant's personal property therein. Tenant covenants and agrees that it shall not employ any individual, firm or organization for such purposes without Landlord's prior written consent.

(b) Tenant, at its sole cost and expense, shall remove or cause to be removed from the demised premises and the Building, in a manner acceptable to the Landlord, all of its trash, refuse and rubbish. Should Tenant fail to pay the cost of such removal, Landlord may pay such cost and charge the same to Tenant, the amount thereof to be paid as Additional Rent on the first day of the month following Landlord's billing thereof to Tenant. Such removal of the trash, refuse and rubbish shall also be subject to such reasonable rules and regulations as established by the Landlord from time to time, provided Tenant is provided with advance written notice of such rules and regulations and they are not enforced against Tenant in a discriminatory manner.

(c) Landlord shall cause the windows in the demised premises to be cleaned, and shall charge Tenant its then current Building standard charge for such cleaning, which charge shall be payable as Additional Rent. As of the date hereof, Landlord's Building standard charge for window cleaning is \$20.00 per window. Tenant shall not hire, rent, do or permit to be done any window cleaning in, on or about the demised premises. Landlord shall cause all common areas of the Building (including the lobby) to be kept neat and clean in accordance with the standards for comparable buildings located in the mid-Manhattan market.

(d) Tenant shall be liable for any tax imposed by any governmental authority with respect to cleaning services in the demised premises. Tenant shall pay to Landlord, as Additional Rent, such taxes within thirty (30) days of billing thereof and a receipt from the taxing authority evidencing such payment obligation.

#### **50. Assignment and Subletting.**

(a) Tenant may not assign this Lease nor sublet all or a portion of the demised premises or permit any portion of the demised premises to be used or occupied by any other person without the prior written consent of Landlord. Tenant may not mortgage, hypothecate, encumber or otherwise pledge this Lease.

(b) If Tenant at any time is a corporation, the transfer (by one or more transfers) of any of the issued and outstanding shares of stock of such corporation, and the issuance (on one or more occasions) of any new shares of stock of such corporation, shall be deemed an assignment of this Lease that requires the prior written consent of Landlord, if, after such transfer or issuance of shares (as the case may be), the prior shareholders own and hold less than 50% of the issued and outstanding shares of such corporation. If Tenant is, at any time, a partnership or limited liability company, (i) the transfer (by one or more transfers) of any interest in such partnership or limited liability company, and/or (ii) the admission of any new partner or partners or new member or members, as the case may be, shall be deemed an assignment of this Lease that requires the prior written consent of Landlord, if, after such transfer or admission (as the case may be), the prior partners or members, as the case may be, have less than a 50% interest in such partnership or limited liability company, as the case may be. For purposes of this Lease, the following shall not be deemed an assignment: (1) transfers of shares of the corporation that are transferred to the corporation or to any employees of the corporation (including employees at the time of the execution of this Lease and/or at the time of such conveyance), (2) transfer of the share of the corporation that are transferred to a relative or family member of the transferor(s) of such shares, (3) transfers by operation of law or as part of the estate of the transferor, or (4) transfers pursuant to a public offering which has been approved by the Securities and Exchange Commission or successor organization, provided, however, that in connection with a transfer pursuant to items (1), (2) or (3) above, Scott Knoll, Kristin Leary and Rick Oakin retain management control of Tenant.

(c) (i) If Tenant shall desire to assign this Lease, or to sublet all or any portion of the demised premises, Tenant shall give notice (“Tenant’s Notice”) to such effect to Landlord, which notice shall set forth or shall be accompanied by (1) the names and business addresses of the proposed assignee or subtenant and of the principal shareholders, members or partners, as the case may be (each referred to hereinafter as the “Principals”), of the proposed assignee or subtenant, provided that such entity is a non-public company, (2) the rents and other consideration to be paid by the proposed assignee or subtenant and the other principal terms and conditions of the proposed assignment or subletting, (3) financial statements for the proposed assignee or subtenant and for its Principals for the preceding three (3) years reasonably acceptable to Landlord; (4) current bank and other credit references for the proposed assignee or subtenant and for its Principals; and (5) such other information as Landlord shall reasonably require.

(ii) Landlord, by notice (“Landlord’s Notice”) given to Tenant within twenty (20) days after receipt of Tenant’s Notice and all other information required to be furnished by Tenant pursuant to Subsection 50(c)(i), may elect to: (A) intentionally omitted, (B) intentionally omitted, (C) terminate this Lease (if the proposed transaction is an assignment of this Lease or a sublease of all or substantially all of the demised premises (or a sublease of a portion of the demised premises which, when aggregated with other subleases then in effect, covers all or substantially all of the demised premises) for all or substantially all of the remaining Term), or (D) terminate this Lease with respect to the space covered by the proposed sublease (if the proposed transaction is a sublease of part of the demised premises for all or substantially all of the remaining Term).

(1) Intentionally omitted.

(2) Intentionally omitted.

(3) If Landlord exercises its option under Subsection 50(c)(ii)(C) to terminate this Lease, then this Lease shall terminate on the proposed assignment or sublease commencement date specified in the applicable Tenant’s Notice and all Rent shall be paid and apportioned to such date.

(4) If Landlord exercises its option under Subsection 50(c)(ii)(D) to terminate this Lease with respect to the space covered by a proposed sublease, then (i) this Lease shall terminate with respect to such part of the demised premises on the effective date of the proposed sublease; (ii) from and after such date the Rent shall be adjusted, based upon the proportion that the rentable area of the demised premises remaining bears to the total rentable area of the demised premises; and (iii) Landlord shall be responsible for the costs to separately demise such part of the Premises and in complying with any Laws relating to such demise, including without limit the costs to divide the mechanical systems and utilities.

(iii) If Landlord shall not exercise its rights under Subsection 50(c)(ii), Landlord, within twenty (20) days after receipt of Tenant’s Notice, shall advise Tenant whether or not Landlord will consent to such assignment or subletting to the proposed assignee or subtenant named in Tenant’s Notice. Landlord will only consider consenting to such assignment or subletting provided that (a) the reputation and financial condition of the proposed assignee or subtenant and its Principals are reasonably satisfactory to Landlord, and (b) Tenant is not in default under any of the terms and provisions of this Lease beyond any applicable notice and grace periods, if any, either at the time of Tenant’s Notice or on the effective date of the assignment or subletting. No such assignment shall be effective unless and until Landlord shall have consented thereto in writing and Tenant shall have furnished to Landlord an executed copy of an agreement, in form and substance reasonably satisfactory to Landlord, by which the assignee assumes and agrees to perform all of the covenants, terms and provisions contained in this Lease on the part of Tenant to be performed and such agreement shall also provided that the assigning tenant shall remain liable under the terms and provisions of this Lease. No such subletting shall be effective unless and until Landlord shall have consented thereto in writing and Tenant shall have furnished to Landlord an executed copy of the sublease, in form and substance reasonably satisfactory to Landlord.

(iv) The sublease effecting any such subletting shall (a) be subject to all of the terms and provisions of this Lease; and (b) expressly provide that, without the prior written consent of Landlord, such sublease may not be assigned and the subtenant thereunder may not further sublet, or permit any other person to use, all or any portion of the demised premises.

(v) All acts and omissions of the assignee or subtenant, or anyone claiming under or through the assignee or subtenant, which are a default of any of the terms and provisions of this Lease beyond the expiration of applicable notice and cure periods set forth in such assignment or sublease shall be deemed to be a default by Tenant, subject to the notice and cure periods set forth in this Lease.

(vi) Notwithstanding any assignment or subletting hereunder and/or acceptance of rent or any other amounts by Landlord from the assignee or subtenant or from any other person, the original Tenant and all persons and parties at any time having the rights of Tenant under this Lease shall remain fully liable for the payment of the Fixed Rent, Tax Payment and all other Additional Rent or other amounts due and to become due under this Lease and for the performance of all of the covenants, terms and provisions contained in this Lease on the part of Tenant to be performed. This Subsection 50(c)(vi) shall survive the expiration or sooner termination of this Lease.

(vii) In the event of any such assignment or subletting, Tenant shall pay to Landlord, as Additional Rent, fifty percent (50%) of the "Profit" (as hereinafter defined) derived by Tenant from such assignment or subletting. The Profit shall be paid to Landlord within ten (10) days after the same is due to Tenant by the assignee or subtenant, as the case may be. "Profit" shall mean (a) in the case of an assignment, the full amount by which all cash and other consideration paid or to be paid by assignee to or for the account of the assignor with respect to or in connection with such assignment, and (b) in the case of a sublease, the full amount by which the rent, additional rents and any other amounts payable to Tenant under the sublease and any additional sums paid or payable by the subtenant to Tenant in consideration of the making of the sublease (other than as set forth in the sublease), exceeds the Fixed Rent, Tax Payment and other charges payable under this Lease, less, in either case, the reasonable out-of-pocket costs actually and reasonably incurred by Tenant in connection with the assignment or subletting for customary brokerage commissions and reasonable attorneys' fees.

(d) If Landlord shall not exercise any of its options under Section 50(c), Landlord, at its exclusive option, may consent to the proposed subletting or assignment referred to in Tenant's Notice given pursuant to Section 50(c), provided that the following further conditions shall be fulfilled:

(i) There shall be no advertisement or public communication of any kind whatsoever relating to the proposed subletting or assignment which mentions or refers to a rental rate (but nothing herein contained shall be deemed to prohibit Tenant from negotiating or consummating a sublease at a lesser rate of rent) or to any other matter which directly or indirectly might adversely reflect on the dignity or prestige of the Building. Without limiting the foregoing restrictions, no advertisement or other public communication shall be released without Landlord's prior written approval, not to be unreasonably withheld, conditioned or delayed; and the advertised rental rate shall not be less than the prevailing rate charged by the Landlord for comparable space;

(ii) No assignment or subletting shall be made to any person or entity which shall at that time be a tenant, subtenant or other occupant of any part of the Building, or any subsidiary or related entity of such tenant, subtenant or occupant;

(iii) No subletting or assignment shall be to a person or entity which has a financial standing, is of a character, is engaged in a business, or proposes to use the demised premises in a manner, not in keeping with the standards in such respects of the other tenancies in the Building;

(iv) Any subletting shall be expressly subject to all of the obligations of Tenant under this Lease and, without limiting the generality of the foregoing, the sublease shall impose at least the same restrictions and conditions with respect to use as are contained in Article 2 and Article 42 and shall specifically provide that there shall be no further subletting of the sublet premises or assignment or mortgaging of the sublease without compliance with the provisions of this Article 50;

(v) Tenant shall pay all reasonable costs that may be incurred by Landlord in connection with said sublease or assignment, including the costs of making investigations as to the acceptability of a proposed subtenant or assignee and all reasonable fees and disbursements of Landlord's attorneys in an amount not to exceed \$3,500.00 in each instance;

(vi) The proposed subtenant or assignee shall not be a person then negotiating with Landlord for the rental of any space in the Building or that Landlord has negotiated with in the immediately preceding three (3) month period;

(vii) The sublease shall provide by its terms that it may not be further modified without Landlord's reasonable consent, it being expressly agreed that any such modification shall, for the purpose of this Lease, be deemed and construed as a subletting for which Tenant must comply with this Article 50 as if such sublease had not been theretofore consent to by Landlord; and

(viii) Landlord shall have the right to demand, as a condition of its consent to any sublease or assignment, a security deposit or additional security deposit from Tenant, the assignee or the subtenant, as the case may be with respect to any assignee or subtenant who does not have a net worth (as defined in Section 50(f) below) at least equal to the greater of (i) the net worth of Tenant on the date of the assignment or sublease or (ii) the net worth of Tenant named herein on the date of this Lease.

(e) Intentionally omitted.

(f) Notwithstanding anything contained in this Article 50 to the contrary, Tenant may, without Landlord's consent but upon notice to Tenant assign this Lease or sublet all or a part of the demised premises to an Affiliate or entity into or with which Tenant is merged or consolidated or to a person or entity to which all or substantially all of Tenant's assets are sold or otherwise transferred, provided that such merger, consolidation, transfer or sale of assets is for a valid business purpose and not principally for the purpose of transferring the leasehold estate created hereby and/or avoiding the requirements of this Article 50, and provided further, that in any of such events (a) the successor to Tenant has a net worth computed in accordance with generally accepted accounting principles at least equal to the greater of (i) the net worth of Tenant immediately prior to such merger, consolidation or transfer, or (ii) the net worth of Tenant herein named on the date of this Lease, (b) proof satisfactory to Landlord of such net worth shall have been delivered to Landlord at least ten (10) days prior to the effective date of any such transaction and (c) the use of the demised premises for the Permitted Use shall remain unchanged following any such merger, consolidation or transfer of assets (a "Permitted Transferee"). The provisions of Subsections 50(c)(ii) and 50(c)(vii) above shall not apply to assignments or sublets to a Permitted Transferee. For purposes of this Section 50(f): the term "Affiliate" shall mean, as to any designated person or entity, any other person or entity which controls, is controlled by, or is under common control with, such designated person or entity, and a corporation or other entity which provides financial, investment or insurance services and products to Tenant's members as part of Tenant's regular business regardless of control; the term "control" (and with correlative meaning, "controlled by" and "under common control with") shall mean ownership or voting control, directly or indirectly, of 50% or more of the voting stock, partnership interests or other beneficial ownership interests of the entity in question; and the term "net worth" shall mean an entity's equity, as reported in the annual financial statements of such entity (prepared in accordance with generally accepted accounting principles by an independent accounting firm reasonably acceptable to Landlord), less the intangible assets of such entity, including but not limited to, copyrights, trademarks, trade names, licenses, patents, franchises, goodwill, operating rights and deferred financing costs.

(g) Notwithstanding anything contained in this Article 50, Tenant shall be permitted to license portions of the Demised Premises, to be used and occupied by persons related to Tenant's business (the "Licensees"), provided and on the condition that: (a) the Licensees utilize, in common with Tenant, one common entrance to the Demised Premises; (b) the Licensees shall not occupy, in the aggregate, more than twenty five (25%) percent of the rentable area in the Demised Premises; (c) the Licensees are affiliates of Tenant or provide services or products complimentary to or on behalf of those provided by Tenant and (d) Tenant delivers notice of such Licensee(s) no later than ten (10) business days after the occupancy of any portion of the Demised Premises by any such Licensee. If any Licensees occupy any portion of the Demised Premises as described herein, it is agreed that (i) with the exception of the payment of Fixed Rent and Additional Rent, the Licensees must comply with all provisions of this Lease; (ii) in no event shall any use or occupancy of any portion of the Demised Premises by any Licensee release or relieve Tenant from any of its obligations under this Lease, including the full payment of Fixed Rent and Additional Rent; and (iii) in no event shall the use and occupancy of any portion of the Demised Premises by any of the Licensees be deemed to create a landlord/tenant relationship between Landlord and any such Licensee, and, in all instances, Tenant shall be considered the sole tenant under this Lease, notwithstanding the occupancy of any portion of the Demised Premises by any of the Licensees.

## **51. Electricity.**

(a) Landlord agrees that prior to the Commencement Date risers, feeders and wiring will be installed in the Building by Landlord, at Landlord's sole cost and expense, to furnish electrical service to the demised premises in amount sufficient to meet Tenant's reasonable requirements of electrical current consistent with the electrical capacity of the existing equipment supplying electrical current to the demised premises and Tenant's contemplated use of the demised premises in accordance with Article 2 and Article 42 hereof. Landlord agrees to make six (6) watts per rentable square foot "demand load" available for use by Tenant at the demised premises, exclusive of electric current required for Tenant's HVAC. Any additional risers, feeders or other equipment or service proper or necessary to supply Tenant's electrical requirements, upon written request of Tenant, will be installed by Landlord at the sole cost and expense of Tenant, if in Landlord's sole judgment the same are necessary and will not cause permanent damage or injury to the Building or the demised premises or cause or create a dangerous or hazardous condition or entail excessive or unreasonable alterations, repairs or expense or interfere with or disturb other tenants or occupants of the Building.

(b) Tenant shall obtain electricity for all of Tenant's electrical needs with respect to the demised premises, including, but not limited to the electricity required for the operation of the HVAC unit that services the Demised Premises, directly from the public utility company or other company furnishing electricity to the Building (the "Electric Company"). The cost of such electricity shall be paid by Tenant directly to such Electric Company. Landlord represents that the demised premises are separately metered as of the date hereof. Tenant shall be responsible, at its sole cost and expense, for the maintenance and repair of all electric meters in the demised premises, whether or not same were installed by Tenant.

(c) Tenant shall, at its sole cost and expense, supply for its use to the demised premises, any and all ballast, starters, lamps, bulbs and other items which are ancillary to utilizing its electrical service within the demised premises in accordance with and subject to the terms and provisions of this Lease.

## **52. Air-Conditioning.**

(a) Tenant shall be responsible, at its sole cost and expense, for providing cooled air to the demised premises, through the air conditioning unit(s) or system which are located in the demised premises or which Tenant may install, subject to the terms and provisions of this Lease, which shall be air-cooled only. Any air conditioning unit(s) or system installed or to be installed in the demised premises, is and shall be deemed property of Landlord. As of the Commencement Date, the existing air conditioning unit(s) in the demised premises shall be in good working order reasonably sufficient to cool the demised premises and shall be controlled throughout the Term of this Lease exclusively by Tenant.

(b) If the air conditioning system in the demised premises uses water, then: Tenant shall pay for the water consumed and the sewage charge in the operation thereof in accordance with the readings of a water meter installed to measure such consumption. Prior to installing any new or additional mechanical air conditioning unit or units in the demised premises, Tenant shall first obtain Landlord's written consent. Under penalty of damages and forfeiture, Tenant herein shall not install any mechanical air conditioning plant or individual or collective unit using water unless the unit or units are equipped with a water conserving device, such as evaporative condenser, economizer, water cooling tower, or other similar apparatus. In connection with such air conditioning, Tenant agrees to install at its own cost and expense, a water meter which shall meter all water used in such air conditioning plant and such water used and sewage charges shall be paid for by Tenant per said meter readings, at the prevailing rate charged by the City of New York, on a timely, current basis. If Tenant has not installed a water meter, Landlord will charge Tenant with its proportion of the water consumption and sewage charges incurred by the Building.

(c) Tenant shall change the filters of the air conditioning unit(s) and shall have the unit(s) cleaned on an as needed basis as reasonably determined by Tenant.

(d) Tenant shall be responsible for the maintenance and repair of the air conditioning unit(s) or system affecting the demised premises whether ordinary or extraordinary in nature. Tenant shall, during the Term of this Lease, keep in full force and effect a repair and maintenance agreement (including replacement of all parts) with a company reasonably approved by Landlord covering said air conditioning unit(s) or system; a current copy of which (including renewals thereof) shall be delivered to Landlord upon Landlord's request thereof. Notwithstanding the foregoing, Landlord shall be responsible for the cost of any repair and/or replacement of the air conditioning unit(s) or system affecting the demised premises costing in excess of \$5,000.00 which is (i) not covered by the terms of Tenant's maintenance contract, (ii) not necessitated by the negligence or willful misconduct of Tenant, and/or (iii) outside the scope of ordinary repair.

(e) Subject to Article 13 of this Lease, Landlord shall have free and unrestricted access to all air conditioning equipment. Landlord reserves the right to interrupt, curtail, stop or suspend air conditioning when necessary because of accident, repairs, alterations or improvements (which in the judgment of Landlord are desirable or necessary, or to comply with governmental restrictions in the use of materials or in the use of the air conditioning system or because of difficulty in inability to secure supplies or labor because of strikes or other cause or causes beyond the reasonable control of Landlord, whether such cause or causes are similar or dissimilar to those hereinbefore mentioned, and except as may otherwise be provided for in this Lease, no diminution or abatement of Rent or other compensation shall or will be claimed by Tenant nor affected or reduced by reason of the interruptions, curtailment, stoppage or suspension of air conditioning, provided that if resumption is, or becomes, within Landlord's reasonable control, Landlord shall use all diligent and reasonable efforts to cause such resumption.

### **53. Alterations.**

(a) Notwithstanding anything contained herein to the contrary, Tenant shall inspect the demised premises on the Commencement Date and agrees to accept same "as is," so long as Landlord's Work has been completed pursuant to Article 89, and to be responsible, at Tenant's sole expense, for any and all structural and nonstructural improvements, additions, changes, repairs, alterations, violations, and other work desired by Tenant or required by law within the demised premises.

(b) Tenant shall not make improvements, changes, additions or alterations of any kind or nature, whatsoever, without first obtaining Landlord's prior written consent thereto in each instance, such consent not to be unreasonably withheld or delayed; provided, however, Landlord shall not unreasonably withhold its consent for alterations which (i) are within the demised premises, (ii) are non-structural in nature, (iii) will not affect any Building system, (iv) do not require the issuance of any building permits, and (v) cost less than \$200,000.00 in the aggregate. Tenant shall not construct or expand any mezzanines, if any. No consent or approval by Landlord shall be binding or effective unless in writing. Any alteration or repair which Tenant is either required or permitted to make under this Lease shall only be performed by contractors reasonably approved in writing by Landlord. In addition, notwithstanding the foregoing, Tenant may perform alterations which are non-structural and purely decorative in nature, such as painting and wall and floor covering, without Landlord's prior written consent.

(c) All work to be performed at or with respect to the demised premises and all other work necessary for the operation of Tenant's business at the demised premises shall be performed by Tenant and shall constitute "Tenant's Work" hereunder. Such work shall be performed by Tenant at Tenant's sole cost and expense using materials reasonably approved by Landlord and in accordance with the plans and specifications prepared by Tenant's registered architect and duly licensed engineer in conformity with the provisions hereof. Tenant shall prepare and submit to Landlord for approval two (2) complete sets of plans and specifications covering Tenant's Work prepared in conformity with the applicable provisions hereof which shall include complete, detailed architectural and engineering drawings and specifications, including construction, demolition, structural, mechanical, electrical, reflected ceiling, partition layout and all other applicable drawings and plans for any such improvements, changes, additions or alterations to be performed by Tenant that are structural in nature or require building permits (the "Plans and Specifications"). The Plans and Specifications shall contain sufficient information to convey Tenant's proposed design to Landlord. If Landlord shall notify Tenant of any objections to such Plans and Specifications, Tenant shall make necessary revisions and resubmit the same for Landlord's approval.

(d) Tenant, at Tenant's sole cost and expense, shall complete Tenant's Work in accordance with the provisions of this Article 53 and the Lease. Tenant's Work shall be deemed completed at such time as (i) all final certifications, approvals, licenses and permits with respect to Tenant's Work and the permitted use that may be required from any governmental authority having jurisdiction, and from the New York Board of Fire Underwriters or any similar body for the use and occupancy of the demised premises have been obtained in accordance with the provisions of this Lease and delivered to Landlord; and (ii) Tenant, at its sole cost and expense, shall: (1) furnish evidence reasonably satisfactory to Landlord that all of Tenant's Work has been completed and paid for in full, including without limit, delivery of final lien waivers, (and such work has been accepted by Landlord) and that any and all liens therefor that have been filed have been discharged of record (by payment, bond, order of a court of competent jurisdiction or otherwise) or waived and no security interest relating thereto are outstanding; (2) pay Landlord for the reasonable, out-of-pocket third party cost of any Tenant's Work done for Tenant by Landlord and all other charges due hereunder with respect to Tenant's initial alterations only, (3) to the extent not previously provided, furnish to Landlord the insurance and certificates required by this Lease; and (4) furnish an affidavit in the form recommended by the American Institute of Architects from Tenant's registered architect certifying that all work performed in the demised premises is in accordance with the Final Plans and Specifications.

(e) All Tenant's Work shall comply with: (i) all codes, laws, ordinances, order and regulations of all governmental authorities having jurisdiction, including, without limitation, the Building and Fire Codes of the City of New York; (ii) all applicable standards of the New York Board of Fire Underwriters, The National Electrical Code, The Occupational Safety and Health Administration, The American Society of Heating, Refrigeration and Air Conditioning Engineers, I.S.O., and any similar or successor bodies thereto; and (iii) the requirements of Landlord's insurance carriers.

(f) In connection with Tenant's Work, Tenant shall cause to be prepared all drawings, plans and specifications, and all other reports, applications and materials, required by the Building Department of the City of New York and any other governmental authorities having jurisdiction with respect to Tenant's Work and any permits and special licenses which may be required for or in connection with Tenant's Work or the permitted use. Any and all filings of such drawings, plans, specifications, reports, applications and other

materials with the Building Department of the City of New York and any other governmental authorities having jurisdiction shall be made solely by Tenant at Tenant's sole cost and expense. Nothing herein shall be deemed to, or operate to, create any liability or other obligation on the part of Landlord in the event that any such filings shall not be approved by the Building Department of the City of New York or any other governmental authority having jurisdiction; provided, however, that Landlord shall use good faith efforts to assist or provide approvals with requests to Tenant's obligations to obtain such permits, at no cost to Landlord. After such filings have been so approved, unless Landlord shall otherwise direct, Tenant, at its own cost and expense, shall cause the contractor and/or Tenant's registered architect to: (i) prior to the commencement of Tenant's Work, obtain all necessary permits and licenses required for Tenant's Work from the Building Department of the City of New York and any other governmental authorities having jurisdiction; and (ii) upon completion of Tenant's Work, obtain all necessary certificates of acceptance or completion which may be required from the Building Department of the City of New York and any other governmental authorities having jurisdiction.

(g) Tenant's contractors and subcontractors shall be required to provide, in addition to the insurance required of Tenant pursuant to the Lease, builders' risk insurance, workers compensation, and public liability insurance, which policies shall contain endorsements naming the Landlord, and any Superior Mortgagee and any Superior Lessor as additional insured under such policies. The policies of insurance required to be carried under this Section 53(g) shall contain the following endorsement: "It is understood and agreed that the coverage of this policy shall not be canceled or modified by the company until the company has mailed written notice, by registered or certified mail, return receipt requested, to Landlord stating when, but in no event less than ten (10) days thereafter, such cancellation or modification in coverage shall be effective." Prior to the commencement of Tenant's Work, Tenant and Tenant's contractors and subcontractors shall provide Landlord with copies of certificates or memoranda of insurance showing coverage as required under this Article 53, which certificate shall name Landlord, and any superior landlord and superior mortgagee as additional insured. Any insurance which Tenant, Tenant's contractors or Tenant's subcontractors are obligated to carry hereunder shall be issued by insurance companies authorized to do business in the State of New York and reasonably satisfactory to Landlord.

(h) No item shall be mounted on or hung from the interior or exterior of the Building (except within the Demised Premises) by Tenant without Landlord's prior written approval which may be arbitrarily withheld. If Tenant desires to mount or hang anything outside of the Demised Premises, Tenant shall notify Landlord of the loads involved and shall pay all costs involved.

(i) Any approval or consent by Landlord shall in no way obligate Landlord in any manner whatsoever in respect to the finished product designed and/or constructed by Tenant, nor be deemed a representation or warranty of Landlord as to the adequacy or sufficiency of any matter approved or consented to for Tenant's purposes or otherwise. Any deficiency in design or construction, although approved by Landlord, shall be solely the responsibility of Tenant. All work performed by or on Tenant's behalf shall be done in a workmanlike manner.

(j) Subject to Article 13 of this Lease, Landlord shall have the right to inspect Tenant's Work at any time to verify compliance by Tenant with the provisions of this Article 53.

(k) All improvements, additions or alterations to the demised premises, including, without limitation, light fixtures, HVAC equipment, plumbing and connected equipment such as sinks and toilets, all bathroom fixture, kitchen equipment, but excluding Tenant's moveable trade fixtures, cabling, wiring, floor covering, wall covering, millwork, electronic security system shall, in accordance with the provisions of Article 3, become the property of Landlord and shall remain in the demised premises on the Expiration Date or sooner termination of this Lease unless, simultaneously with Landlord's consent of the performance of same, Landlord requires removal of any such property upon the expiration or sooner termination of the Term in accordance with the provisions of Article 3.

(l) All improvements, additions or alterations shall be promptly commenced and completed and shall be performed in such manner so as not to interfere with the occupancy of any other Tenant nor delay or impose any additional expense upon Landlord in the maintenance, cleaning, repair, safety, management and security of the Building or the Building's equipment or in the performance of any improvements in the Building.

(m) Tenant agrees that it will not at any time prior to or during the Term of this Lease, either directly or indirectly, knowingly employ or permit the employment of any contractor, mechanic or laborer or permit any materials in the demised premises, if the use of such contractor, mechanic or laborer or such materials would, in Landlord's sole and exclusive opinion, create any difficulty, work slowdown, sabotage,

wild-cat strike, strike or jurisdictional dispute with other contractors, mechanics and/or laborers engaged by Tenant or Landlord or others, or would in any way disturb the peaceful and harmonious construction, maintenance, cleaning, repair, management, security or operation of the Building or any part thereof or in any other building owned by Landlord (or an affiliate of Landlord or co-venturer of Landlord). In the event of any interference or conflict, Tenant, upon demand of Landlord, shall cause all contractors, mechanics or laborers, or all materials causing, in Landlord's sole and exclusive opinion, such interference, difficulty or conflict, to leave or be removed from the Building immediately. Tenant shall use only Landlord's contractors or such other contractors approved in writing in advance by Landlord. This Section 53(m) shall survive the expiration or sooner termination hereof.

(n) Tenant shall do all things reasonably necessary to prevent the filing of any mechanic's or other lien against the demised premises or any other portion of the Building or the interest of Landlord or any mortgagee by reason of any work, labor, services or materials performed or supplied or claimed to have been performed for or supplied to Tenant, or anyone holding the demised premises, or any part thereof, through or under Tenant. If any such lien due to Tenant shall at any time be filed, Tenant shall either cause the same to be vacated and canceled of record within thirty (30) days after the date of the filing thereof or, if Tenant in good faith determines that such lien should be contested, Tenant shall furnish such security, by surety bond or otherwise, as may be necessary or prescribed by law to release the same as a lien against the demised premises and the Building and to prevent any foreclosure of such lien during the pendency of such contest. If Tenant shall fail to vacate or release such lien in the manner and within the time period aforesaid, or such additional time as may be reasonably necessary in the event Tenant is prosecuting the removal of such lien in good faith, then, in addition to any other right or remedy of Landlord resulting from Tenant's said default, Landlord may, but shall not be obligated to, vacate or release the same either by paying the amount claimed to be due or by procuring the release of such lien by giving security or in such other manner as may be prescribed by law. Tenant shall repay to Landlord, on demand, all reasonable out of pocket sums disbursed or deposited by Landlord pursuant to the foregoing provisions of this Article, including Landlord's cost and expenses and reasonable attorneys' fees incurred in connection therewith. Nothing in this Lease contained shall be deemed or construed in any way as constituting the consent or request of Landlord, express or implied by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to or repairs of the demised premises, the Building or any part thereof, nor as giving Tenant a right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any mechanics or other liens against Landlord's interest in the demised premises or the Building. Notice is hereby given that neither Landlord, Landlord's agents, nor any mortgagee shall be liable for any labor or materials furnished or to be furnished to Tenant upon credit, and that no mechanic's or other lien for such labor or materials shall attach to or affect any estate or interest of Landlord, or any mortgagee in and to the demised premises or the Building.

(o) Before commencing any work or alteration that will cost more than \$200,000.00 (exclusive of the cost of work purely decorative in nature), as estimated by an architect or contractor designated by Landlord, Tenant shall furnish to Landlord either (i) a performance bond and a labor and materials payment bond (issued by a corporate surety licensed to do business in New York and approved by Landlord), each in an amount equal to 125% of such estimated cost and in form satisfactory to Landlord, or (ii) such other security as shall be satisfactory to Landlord in its sole judgment.

#### **54. Equipment.**

Subject to the provisions of this Lease, Tenant may, at its own cost and expense, install, operate and maintain customary small office machines, including without limitation, typewriters, tabulation, statistical, facsimiles and office copy devices and personal computers (collectively, the "Regular Office Equipment"), provided, however, that the use and maintenance of such machines will not in any way materially interfere with or affect the use of the Building by other tenants, and provided further that except in connection with the Regular Office Equipment, Landlord may, if it so determines, install, at the cost and expense of Tenant, flooring or ceiling reinforcements and sound absorbent material as may be necessary in the area where such machines may from time to time be located, and Tenant agrees to pay the cost thereof within thirty (30) days after presentation of bills covering the same, the amount of which costs shall be deemed to be owing by Tenant as Additional Rent.

#### **55. Signs; Protrusions.**

(a) Tenant shall not install any signs on the exterior doors of the demised premises or in the common corridors or external windows without the prior written approval of Landlord. Landlord reserves the right to prescribe the nature, size and character of all such signs and to remove, at Tenant's expense, all signs which have not been approved by Landlord. Notwithstanding the foregoing, Tenant shall be entitled to install identification signage in the elevator lobby of the eighth (8<sup>th</sup>) floor.



(b) Notwithstanding anything provided to the contrary in this Lease, Tenant shall not cause any machinery, equipment, sign, banner, or any other thing to protrude from the demised premises to the exterior windows of the demised premises or beyond the demised premises within the interior of the Building.

#### **56. Notices.**

(a) Any notice, demand, or communication which is required or desired by and between the Landlord and Tenant or to or from on to the other shall be sent by personal delivery, certified mail, return receipt requested or by a nationally recognized overnight courier and shall be deemed to have been given on the date of delivery if personally delivered, three (3) business days after the date of mailing, or the next business day after deposit with overnight courier. Notices to Landlord hereunder shall be addressed to Brickman 95 Morton LLC, c/o Brickman Associates, 712 Fifth Avenue, New York, New York 10019, Attention: Michael Esquenazi. Notices hereunder to Tenant shall be addressed to the address set forth on page 1 of this Lease prior to the Commencement Date and thereafter to Tenant at the demised premises, in all events to Attention: Kristin Leary, with a copy to Jeffrey M. Schwartz, Esq., Wolf Haldenstein Adler Freeman & Herz, LLP, 270 Madison Avenue, New York, New York 10016. Either party may change its address for notices under this Lease by delivering to the other party written notice of such change of address, which notice shall be given pursuant to the provisions of this Article 56.

(b) It is expressly acknowledged, understood and agreed that the attorney for the Landlord shall have the right and is hereby authorized to execute any and all notices, demands, statements, communications, pleadings, verifications, or any other matter or thing whatsoever in connection with a Tenant default under this Lease. Tenant specifically shall not and hereby waives any and all defenses which it has, or may have, in any action or proceeding, or otherwise on the grounds that any notice, demand, statement, communication, pleading, verification or the like was signed by Landlord's attorney (with the understanding that the foregoing shall not preclude Tenant from raising any defense it may have as to the substance of the claims contained in such notice).

#### **57. Insurance.**

(a) Throughout the Term of this Lease, Tenant shall, at its expense, maintain and keep in full force and effect insurance covering all of Tenant's installations (but excluding Landlord's Work), equipment, fixtures, furnishings, inventory and other personal property against loss or damage by fire and such other risks as may be included under standard forms of extended coverage insurance from time to time available, and against any and all other risks as are or shall be customarily covered with respect to such property, in an amount equal to the then full insurable value thereof.

(b) Throughout the Term of this Lease, Tenant shall, at its expense, maintain and keep in full force and effect, for the benefit of Landlord and Tenant:

(i) a commercial general liability insurance policy protecting Landlord and Tenant against any liability whatsoever occasioned by any event or occurrence on or about the demised premises or any part thereof. The amount of each such policy shall not be less than Three Million and 00/100 (\$3,000,000.00) Dollars in respect of any primary occurrence and not less than Five Million and 00/100 (\$5,000,000.00) Dollars annual aggregate limit per location (or such greater amounts as Landlord from time to time shall reasonably require to reflect inflation or verdicts then being awarded in personal injury actions in Supreme Court, New York County).

(ii) Provide and keep in force, workers' compensation insurance in a form prescribed by the laws of the State of New York and employer's liability insurance.

(iii) Provide and keep in force, such other insurance and in such amounts as may from time to time be reasonably required by Landlord against such other insurance hazards as at the time are commonly insured against in the case of office use and in office buildings similar to the Building.

(c) All insurance required to be procured by Tenant under this Lease shall be issued by reputable and solvent insurance companies authorized to do business in the State of New York and reasonably satisfactory to Landlord. Prior to Landlord granting possession to Tenant, and thereafter at least ten (10) days' prior to the expiration of any such policy, Tenant shall deliver a certificate evidencing such insurance, which policy or certificate shall provide that Landlord, Landlord's agent, and the Superior Mortgagee and/or Superior Lessor, if applicable, shall be named as additional insureds, and further provide that such insurance may not be canceled or modified except upon not less than ten (10) days' prior written notice to Landlord.

(d) Intentionally omitted.

(e) Intentionally omitted.

(f) Tenant shall, upon demand from the Landlord, deliver or cause to be delivered to the Landlord, at Tenant's expense, the then current insurance certificate. Tenant's insurance certificate shall affirmatively state that any rights of subrogation as against the Landlord and/or its insurer, or otherwise are waived.

(g) Landlord shall carry the insurance required under any mortgage affecting its fee interest in the Real Property, or such other insurance that is customarily carried by landlords of comparable buildings located in the Hudson Square market in Manhattan.

#### **58. Insolvency.**

(a) If at any time after the execution and delivery of this Lease, there shall be filed by or against Tenant or any person or entity who or which then owns at least fifty (50%) percent of the issued and outstanding shares, membership interests or partnership interest of Tenant ("Tenant's Parent") in any court pursuant to any statute either of the United States or of any state a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee or conservator of all or a portion of Tenant's property or Tenant's Parent's property, or if Tenant or Tenant's Parent makes an assignment for the benefit of creditors, this Lease, (i) if such event shall occur prior to the Commencement Date, shall ipso facto be cancelled and terminated, or (ii) if such event shall occur on or after the Commencement Date, at the option of Landlord to be exercised within sixty (60) days after notice of the happening of any one or more of such events, may be cancelled and terminated, and in any such event of termination neither Tenant nor any person claiming through or under Tenant or by virtue of any statute or of an order of any court shall be entitled to possession or to remain in possession of the demised premises but shall forthwith quit and surrender the demised premises, and Landlord, in addition to the other rights and remedies granted by virtue of any other provision in this Lease or by virtue of any statute or rule of law, may retain as damages any Rent, Security Deposit, or moneys received by it from Tenant or others on behalf of Tenant.

(b) In the event of the termination of this Lease pursuant to Section 58(a) above. Landlord shall be entitled to the same rights and remedies as set forth in Article 18.

#### **59. As Is; Repairs; Maintenance.**

(a) Notwithstanding anything contained herein to the contrary, neither Landlord nor Landlord's agents have made any representations, warranties, or promises, either express or implied, with respect to the physical condition of the Building or the demised premises, the use or uses to which the demised premises or any part thereof may be put, the operation of any of the mechanical, plumbing, electrical, flue, ventilation or exhaust systems servicing the demised premises, the expenses or operation, or any other matter or thing affecting or related to the demised premises except as herein expressly set forth in this Lease; and no rights, easements, or licenses are acquired by Tenant by implication or otherwise except as expressly set forth herein. As of the Commencement Date, Tenant shall inspect the demised premises and agrees to take the same "as is", subject to the performance of Landlord's Work. Tenant further acknowledges that taking possession of the demised premises shall be conclusive evidence that the demised premises were in good and satisfactory condition. It is expressly understood that Landlord shall not in any way be liable for any latent or patent defects in the demised premises. Landlord shall be under no obligation to make any improvements in or to the demised premises throughout the Term hereof except for Landlord's Work as set forth in Section 89 hereof and except as otherwise set forth in this Lease.

(b) Tenant, at its sole cost and expense, shall take good care of the demised premises and all improvements and personal property located therein, including, without limitation, all furniture, fixtures, machinery, equipment and all other personal property and stock purchased by Tenant and used in connection with the operation of its business at the demised premises, (all of the foregoing, including without limitation, Tenant's Initial Improvements as hereinafter defined, being hereinafter collectively referred to as "Tenant's Property") and Tenant shall make all necessary repairs to the demised premises and/or Tenant's Property in accordance with the provisions contained herein, whether ordinary, extraordinary, foreseen, or unforeseen; provided, however, that Tenant shall not be obligated to make any repairs to the extent that the same is necessitated by the negligent acts or omissions of Landlord, its agents, employees or contractors or as may be

required of Landlord pursuant to the terms of this Lease, including without limitation the obligations of Landlord set forth in Article 52 above. Nevertheless, any damage to the Building (including, without limitation, the demised premises and the roof), interior and exterior, arising from or caused by the act, negligence or omissions of Tenant (or its agents, servants, employees, invites or contractors) shall be the liability of Tenant. Notwithstanding anything contained in this Lease to the contrary, if Tenant fails to perform any repairs and other work which Tenant is required to perform under any provision of this Lease, Landlord may, without having any obligation to do so, at Landlord's option, following ten (10) days' written notice to Tenant, or such longer period as may be reasonably necessary or such shorter period in the event of an emergency, perform same at Tenant's sole cost and expense. Tenant shall pay the reasonable cost of such repairs and other work, as Additional Rent, within thirty (30) days after rendition of a statement therefor by Landlord, provided, however, if Tenant disputes in good faith its responsibility hereunder to perform such repairs or work, and it is adjudicated or otherwise finally determined that Tenant was not responsible under this Lease for the making of such repair or work, then Tenant shall not be obligated to make such payment, and any such payment made by Tenant shall be refunded to Tenant.

(c) When used in this Article, the term "repairs" shall include replacements and substitutions of all property when necessary, of a Building standard quality as reasonably adopted by Landlord.

(d) In addition to any other matters set forth herein, Tenant shall, at its sole cost and expense, comply with all federal, state and local laws, rules, regulations, mandates, codes, statutes or decrees of any governmental or quasi-governmental agency which now or hereafter has or may have jurisdiction over the demised premises and/or the Building which relates to or arises out of Tenant's particular use or manner of use of the demised premises (as opposed to the Permitted Use). This includes, without limitation, any requirements of the Americans With Disabilities Act of 1990, as amended.

#### **60. Indemnity.**

(a) Without limiting any other indemnity extended by Tenant to Landlord under the provisions of this Lease, Tenant hereby indemnifies and agrees to hold the Landlord (and all of Landlord's agents, representatives, employees, shareholders, partners and attorneys) harmless from and against any and all loss, liability, claim and/or expenses (including, without limitation, reasonable attorneys' fees and disbursements) in connection with or arising from: (a) any default by Tenant under this Lease continuing beyond the expiration of applicable notice and cure periods, (b) Tenant's use or occupancy of the demised premises and/or (c) any acts, omissions, negligence of Tenant, its employees, servants, contractors, agents, licensees and invites in or about the demised premises or the Building. Tenant shall pay to Landlord as Additional Rent an amount equal to all such losses, liabilities, claims and expenses within thirty (30) days after Landlord's rendition to Tenant of bills or statements therefor. Landlord will, at Tenant's expense, reasonably cooperate with Tenant in connection with any claims made by Tenant against third parties in connection with actions for which Landlord is indemnified hereunder. This Article 60(a) shall survive the expiration or sooner termination of this Lease.

(b) Landlord hereby indemnifies and agrees to hold Tenant (and all of Tenant's agents, representatives, employees, shareholders, partners and attorneys) harmless from and against any and all loss, liability, claim and/or expenses (including, without limitation, reasonable attorneys' fees and disbursements) in connection with or arising from any negligence or willful misconduct of Landlord. This Article 60(b) shall survive the expiration or sooner termination of this Lease.

#### **61. Holding Over.**

If Tenant holds over in possession after the expiration or sooner termination of the Term of the Lease, as same may be extended, such holding over shall not be deemed to extend the Term or renew this Lease, but such holding over thereafter shall continue upon the covenants and conditions herein set forth except that the charge for use and occupancy of such holding over for each calendar month or part thereof (even if such part shall be a small fraction of a calendar month) shall be equal to, for the first thirty (30) days of such holdover, one hundred fifty percent (150%), and thereafter, two hundred percent (200%), of the Fixed Rent and payable for the immediately preceding monthly installment of Fixed Rent, together with one hundred percent (100%) of all Additional Rent due hereunder. Neither the billing nor the collection of use and occupancy in the above amount shall be deemed a waiver of any right of Landlord to collect damages for Tenant's failure to vacate the demised premises after the expiration or sooner termination of this Lease. If Tenant's holdover shall continue for sixty (60) days beyond the expiration or sooner termination of the Term of this Lease, Tenant shall be liable to Landlord for and indemnify Landlord against (a) any payment or rent concession which Landlord may be required to make to any tenant obtained by Landlord for all or any party of the demised premises (a "New Tenant") by reason of the late delivery of space to the New Tenant as a result of Tenant's holding over or in order to induce such New Tenant not to terminate its lease by reason of the holding over by Tenant; (b) the loss of the benefit of the bargain if any New Tenant shall terminate its lease by reason of the holding over by Tenant; and (c) any claim for damages by any New Tenant. The provisions of this Article shall survive the expiration or sooner termination of this Lease.

## **62. Tenant's Obligations Upon Expiration or Earlier Termination.**

Without limiting any of the other provisions of this Lease:

(a) On the Expiration Date or upon the sooner termination of this Lease or upon any re-entry by Landlord, Tenant shall, at its expense, quit, surrender, vacate and deliver the demised premises to Landlord "broom clean" and in good order, condition and repair, ordinary wear, tear and damage by fire or other insured casualty excepted, together with all improvements therein. Tenant shall, at its expense, remove from the demised premises all of Tenant's unaffixed property and any personal property of persons claiming through or under Tenant, to the extent identified by Landlord for such removal, and shall repair or pay the reasonable cost of repairing all damage to the demised premises and the Building occasioned by such removal. Any of Tenant's property or other personal property which shall remain in the demised premises after the expiration or sooner termination of this Lease shall be deemed to have been abandoned, and either may be retained by Landlord as its property or may be disposed of as Landlord may see fit. If such property not so removed shall be sold, Landlord may receive, retain and apply the proceeds of such sale to the cost of moving and storage, arrears of Rent and any damages to which Landlord may be entitled. Any expense incurred by Landlord in removing or disposing of such property shall be reimbursed to Landlord by Tenant on demand.

(b) If the Expiration Date or the date of sooner termination of this Lease shall fall on a day which is not a business day, then tenant's obligations under Section 62(a) shall be performed on or prior to the immediately preceding business day.

(c) Tenant expressly waives, for itself, and for any person claiming through or under Tenant, any rights which Tenant or such person may have under the provisions of Section 201 of the New York Civil Practice Law and Rules and any similar successor law of same import then in force, in connection with any holdover proceedings which Landlord may institute to enforce the provisions of this Article.

(d) Intentionally omitted.

(e) Tenant's obligations under this Article shall survive the termination of this Lease.

## **63. Governmental Regulations.**

If at any time during the Term of this Lease, Landlord expends any sums for alterations or improvements to the Building which are required to be made pursuant to any law, ordinance or governmental regulation, or any portion of such law, ordinance or governmental regulation, which becomes effective after the date hereof, due to Tenant's specific manner of use of the demised premises (as opposed to the Permitted Use) or due to alterations performed by or at the request of Tenant, Tenant shall pay to Landlord, as Additional Rent, the same percentage of such cost as is set forth in the provision of this Lease which requires Tenant to pay increases in Real Estate Taxes, within ten (10) days after demand therefor. If, however, the cost of such alteration or improvements is one which is required to be amortized over a period of time pursuant to applicable governmental regulations, Tenant shall pay to Landlord, as Additional Rent, during each year in which occurs any part of the Lease Term, the above-stated percentage of the reasonable annual amortization of the cost of the alteration or improvement made. For the purposes of this Article 63, the cost of any alteration or improvement made shall be deemed to include the cost of preparing any necessary plans and the fees for filing such plans.

## **64. Sprinkler.**

Anything elsewhere in this Lease to the contrary notwithstanding, if the New York Board of Underwriters or the New York Fire Insurance Exchange or any bureau, department or official of the federal, state or city governments require or recommend the installation of a sprinkler system or that any changes, modifications, alterations or additional sprinkler heads or other related equipment be made or supplied in an existing sprinkler system by reason of Tenant's particular manner of use of the demised premises (as opposed to use for the Permitted Use), or the location of partitions, trade fixtures or other contents of the demised premises, or for any other reason or if any such sprinkler system installations, changes, modifications, alterations, additional sprinkler heads or other such equipment, become necessary to prevent the imposition of a penalty or charge against the full allowance for a sprinkler system in the fire insurance rate set by any said

Exchange or by any fire insurance company, Tenant shall, at Tenant's expense, promptly make such sprinkler system installations, changes, modifications, alterations, and supply additional sprinkler heads or other equipment as required whether the work involved shall be structural or nonstructural in nature. Tenant shall pay to Landlord as Additional Rent the sum of \$100.00 on the first day of each month during the Term of this Lease, as Tenant's portion of the contract price for sprinkler supervisory service.

**65. Building Directory.**

If there is a Building directory at the Building, then at the written request of Tenant, Landlord shall list on the Building's directory the name of Tenant, and to the extent space is available, any trade name under which Tenant has the right to operate, and any other entity permitted to occupy any portion of the demised premises under the terms of this Lease. If requested by Tenant, Landlord may (but shall not be required to) list the name of Tenant's subsidiaries and affiliates; however, the listing of any name other than that of Tenant shall neither grant such party or entity any right or interest in this Lease or in the demised premises nor constitute Landlord's consent to any assignment or sublease to, or occupancy of the demised premises by, such party or entity. Except for the name of Tenant, any such listing may be terminated by Landlord, at any time, without notice, and same shall not give rise to any claim relating thereto.

**66. Submission to Jurisdiction; Attorneys Fees.**

(a) This Lease shall be deemed to have been made in New York County, New York, and shall be construed in accordance with the laws of the State of New York. All actions or proceedings relating, directly or indirectly, to this Lease shall be litigated only in courts located within the County of New York. Landlord, Tenant and their respective successors and assigns, hereby subject themselves to the jurisdiction of any state or federal court located within such county. Tenant and its successors and assigns hereby waive personal service of any process upon them in any action or proceeding therein and consent that such process be served by certified or registered mail, return receipt requested, directed to the Tenant and any successor at Tenant's address hereinabove set forth, and to any assignee at the address set forth in the instrument of assignment. Such service shall be deemed made three days after such process is so mailed.

(b) If (i) either party commences any action or proceeding against the other party, or (ii) either party is required to defend any action or proceeding commenced by the other party in connection with this Lease, and such action or proceeding is disposed of, by settlement, judgment or otherwise, the prevailing party shall be entitled to recover from the other party in such action or proceeding, or a subsequently commenced action or proceeding, the prevailing party's reasonable attorneys' fees and disbursements incurred in connection with such action or proceeding and all prior and subsequent discussions, negotiations and correspondence relating thereto. Notwithstanding the foregoing, if Tenant has failed to pay amounts due when otherwise required hereunder, Tenant shall reimburse Landlord its reasonable costs of collection and/or enforcement without the requirement of Landlord commencing an action.

**67. Conditional Limitation.**

(a) If Tenant shall default in the payment of the Fixed Rent reserved herein, or any item of Additional Rent herein mentioned, or any part of either on three (3) occasions during any consecutive twelve (12) month period and (i) such default continued for more than five (5) days after written notice of such default by Landlord to Tenant, or (ii) Landlord served upon Tenant petitions and notices of petition to dispossess Tenant by summary proceedings, then, notwithstanding that such defaults may have been cured prior to the expiration of the notice period or the entry of a judgment against Tenant, as the case may be, then if Tenant shall again default in respect of the payment of Fixed Rent or Additional Rent due hereunder within a twelve (12) month period, Landlord may thereafter, at its option, serve a written three (3) day notice of cancellation of this Lease and the Term hereunder shall end and expire as fully and completely as if the expiration of such three (3) day period were the day herein definitely fixed for the end and expiration of this Lease and the Term thereof, and Tenant shall then quit and surrender and demised premises to Landlord, but Tenant shall remain liable as elsewhere provided in this Lease.

(b) Intentionally omitted.

(c) Tenant acknowledges and agrees that Landlord, as a matter of Building policy, will actively pursue its legal rights under this Article, irrespective of ongoing discussions or negotiations with Tenant as to Tenant's defaults.

(d) In the event that Tenant and Landlord have entered into a stipulation of settlement, whether entered into in court or otherwise, for the repayment of any of the Tenant's Rent arrears, any monies received pursuant to said stipulation of settlement shall first be applied to current Rent and then any arrears. Further, unless Tenant is in full compliance with the terms and provisions of the stipulation of settlement, the Tenant shall not be in good standing pursuant to the terms and provisions of this Lease and may not exercise any rights or remedies which it has, or may have, pursuant to the terms and provisions of this Lease.

**68. Elevator Service.**

Landlord, at Landlord's expense, shall furnish necessary passenger elevator service on business days from 8:00 a.m. to 6:00 p.m. and on Saturdays from 8:00 a.m. to 12:00 p.m. At any time or times, all or any of the elevators in the Building may, at Landlord's option, be automatic elevators, and Landlord shall not be required to furnish any operator service for automatic elevators. Notwithstanding the foregoing to the contrary, there shall be at least one (1) automatic passenger elevator available on a twenty-four (24) hour, seven (7) day per week basis, subject to applicable law, mechanical breakdown and force majeure. If Landlord shall, at any time, elect to furnish operator service for any automatic elevators, Landlord shall have the right to discontinue furnishing such service with the same effect as if Landlord had never elected to furnish such service. In the event Tenant shall require the use of the Building's service elevators at any time other than those set forth above, Landlord shall endeavor to use its reasonable efforts to provide a freight service elevator or passenger elevator, as the case may be, for the use of Tenant, provided Tenant gives Landlord reasonable notice of the time and use of such elevators to be made by Tenant and Tenant pays Landlord's usual and reasonable charge in effect at the time for the use therefore prior to Landlord having any obligation to supply such additional elevator services. Landlord, as a matter of Building policy will require a three (3) days' advance request for the use of any Building freight elevator, together with appropriate evidence that an original certificate of insurance has been issued in connection with such use, and a certified check in the total amount of Landlord's freight elevator charge for such use. The charges for the use of the freight elevator shall be for a minimum of four (4) hours time. Notwithstanding the foregoing, during construction of Tenant's move-in, Tenant may use the freight elevator on a non-exclusive basis during the above mentioned business hours, and provided Tenant has reserved the freight elevator in advance, Tenant may use the freight elevator on an exclusive basis after business hours. During Tenant's move-in, Tenant shall be entitled to use the freight elevator for up to eight (8) hours of overtime use at no cost to Tenant.

**69. Water Usage.**

If Tenant requires, uses or consumes water for any purpose in addition to ordinary lavatory purposes (and Landlord is able to reasonably establish and document such excessive usage), Landlord may install a water meter to measure Tenant's water consumption. Tenant shall pay Landlord for the cost of the meter and its installation, and throughout the duration of Tenant's occupancy Tenant shall keep said meter and equipment in good working order and repair at Tenant's own cost and expense. Any default hereunder continuing beyond the expiration of applicable notice and cure periods will permit Landlord to replace or repair the meter and collect the cost thereof from Tenant. Tenant agrees to pay for excess water consumed, as shown on the meter within thirty (30) days of receipt of an invoice for same, and upon default in making such payment Landlord may pay such charges and collect the same from Tenant. Tenant covenants and agrees to pay the sewer rent, charge or any other tax, rent, levy or charge which now or hereafter is assessed, imposed or is a lien upon the demised premises or the realty of which they are part pursuant to law, order or regulation made or issued in connection with its use, consumption, maintenance or supply of water, water system or sewage connection or system. The bill rendered by Landlord pursuant to this Article 69 shall be payable by Tenant as Additional Rent. Tenant shall pay to Landlord, as Additional Rent, on the first day of each month, \$100.00 for the use of the water supplied to the Building.

**70. Tenant's Acts.**

Tenant shall not suffer or permit the demised premises or any part thereof to be used in any manner, or anything to be done therein, or suffer or permit anything to be brought into or kept therein, which would: (1) violate any of the provisions of any grant, lease or mortgage to which this Lease is subordinate, (2) violate any laws or requirements of public authorities; (3) make void or voidable any fire or liability insurance policy then in force with respect to the Building; (4) make unobtainable from reputable insurance companies authorized to do business in New York State any fire insurance with extended coverage, or liability, elevator, boiler or other insurance required to be furnished by Landlord under the terms of any lease or mortgage to which this Lease is subordinate at standard rates; (5) cause, or in Landlord's reasonable opinion be likely to cause, physical damage to the Building or any part thereof; (6) constitute a public or private nuisance; (7) impair, in the sole but reasonable opinion of Landlord, the appearance, character or reputation of the Building; (8) discharge objectionable fumes, vapors or odors into the Building air-conditioning system or into the Building flues or vents or vents not designed to receive them or otherwise in such manner as may reasonably offend other occupants; or (9) impair or materially interfere with any of the Building services or the proper and economic

heating, cleaning, air conditioning or other servicing of the Building or the demised premises or impair or interfere with or tend to impair or interfere with the use of any of the other areas of the Building by, or occasion discomfort, annoyance or inconvenience to, Landlord or any of the other tenants or occupants of the Building, any such impairment or interference to be in the sole but reasonable judgment of Landlord.

#### **71. Limitation on Rent.**

If at the commencement of, or at any time or times during the Term of this Lease, the Rents reserved in this Lease shall not be fully collectible by reason of any Federal, State, County or City law, proclamation, order or regulation, or direction of a public officer or body pursuant to law, or otherwise, Tenant shall enter into such agreements and take such other steps, without additional expense to Tenant, as Landlord may request and as may be legally permissible to permit Landlord to collect the maximum Rents which may from time to time during the continuance of such legal rent restriction be legally permissible (and not in excess of the amounts reserved therefor under this Lease). Upon the termination of such legal rent restrictions prior to the expiration of the Term of this Lease, (a) the Rents shall become and thereafter be payable hereunder in accordance with the amounts reserved in this Lease for the periods following such termination; and (b) Tenant shall pay to Landlord, if legally permissible, an amount equal to (1) the Rents which would have been paid pursuant to this Lease but for such legal rent restriction, less (2) the Rents paid by Tenant to Landlord during the period or periods such legal rent restriction was in effect.

#### **72. Tenant's Interest.**

This Lease does not include, and Tenant shall have no leasehold or other interest in, the land on which the Building is located. Landlord, without the consent of Tenant, may sell, convey, lease or otherwise dispose of any air rights, development rights and similar rights appurtenant to the land and/or Building, provided that Tenant's rights hereunder are not materially decreased and Tenant's obligations hereunder are not materially increased.

#### **73. Brokerage.**

Landlord and Tenant each represent and warrant to the other that they have not dealt with any broker or finder in connection with this Lease, except for Jones Lang LaSalle Brokerage, Inc. (the "Broker"). Tenant agrees to indemnify and hold Landlord harmless from and against any claims, costs, expenses (including court costs and reasonable legal fees) and other liabilities incurred by Landlord by reason of any claim or action for a commission or other compensation by any other broker or finder with respect to this Lease. Landlord agrees to indemnify and hold Tenant harmless from and against any claims, costs, expenses (including court costs and reasonable legal fees) and other liabilities incurred by Tenant by reason of any claim or action for a commission or other compensation by any broker or finder with respect to this Lease (including Broker). Landlord agrees to pay the Broker its commission pursuant to a separate agreement. Landlord shall have no liability for any brokerage commissions arising out of a sublease or assignment by Tenant. The provisions of this Article 73 shall survive the expiration or sooner termination of this Lease.

#### **74. Subordination and Attornment.**

(a) This Lease and all rights of Tenant hereunder are, and shall be, subject and subordinate to all present and future ground leases and mortgages, including all amendments, modifications, supplements, renewals, substitutions, refinancings and extensions thereto (each, respectively, a "Superior Lease" or "Superior Mortgage"), on or affecting the land on which the Building stands ("Land") and the Building or any portion thereof. The provisions of this Article shall be self-operative and no further instrument of subordination shall be required. Notwithstanding the foregoing, Tenant shall promptly execute and deliver, at its own expense, any instrument, in recordable form, if requested, that Landlord, the lessor under a Superior Lease (a "Superior Lessor") or the holder of a Superior Mortgage (a "Superior Mortgagee") may reasonably request at any time and from time to time to evidence such subordination; Tenant's failure to so execute and deliver such instrument shall in no way affect the self-operative subordination provisions of this Section 74(a). The Superior Mortgagee may elect that this Lease shall be deemed to have priority over such Superior Mortgage, whether this Lease is dated prior to, or subsequent to, the date of such Superior Mortgage. If, in connection with obtaining, continuing or renewing of financing for which the Building, Land or the interest of the lessee under the Superior Lease represents collateral, in whole or in part, the Superior Mortgagee shall request reasonable modifications of this Lease as a condition of such financing, Tenant shall execute said modification provided that such modifications do not materially and adversely increase the obligations of Tenant hereunder, diminish the rights of Tenant hereunder, or cause a change in Tenant's financial obligations hereunder. Notwithstanding anything to the contrary contained herein, Landlord agrees to use commercially reasonable efforts to deliver to Tenant, at Tenant's sole cost and expense, a Subordination, Nondisturbance and

Attornment Agreement (“SNDA”) executed by any Superior Mortgagee on such Superior Mortgagee’s standard form (the current Superior Mortgagee’s standard form of SNDA, which shall be subject to Tenant’s commercially reasonable comments, is annexed hereto as Exhibit D); Landlord requesting a SNDA from a Superior Mortgagee shall be deemed commercially reasonable efforts. Landlord’s failure to so deliver a SNDA to Tenant shall in no way affect the self-operative subordination provisions of this Lease.

(b) If, at any time prior to the termination of this Lease, any Superior Lessor or Superior Mortgagee or any other person or the successors or assigns of the foregoing (collectively referred to as “Successor Landlord”) shall succeed to the rights of Landlord under this Lease, Tenant agrees, at the election and upon request of any such Successor Landlord, to fully and completely attorn to and recognize any such Successor Landlord, as Tenant’s Landlord under this Lease upon the then executory terms of this Lease; provided such Successor Landlord shall agree in writing to accept Tenant’s attornment. The foregoing provisions of this Section 74(b) shall inure to the benefit of any such Successor Landlord, shall apply notwithstanding that, as a matter of law, this Lease may terminate upon the termination of the Superior Lease, shall be self-operative upon any such demand, and no further instrument shall be required to give effect to said provisions. Upon the request of any such Successor Landlord, Tenant shall execute and deliver, from time to time, instruments satisfactory to any such Successor Landlord in recordable form if requested to evidence and confirm the foregoing provisions of this Section 74(b), acknowledging such attornment and setting forth the terms and conditions of its tenancy. Tenant hereby constitutes and appoints Landlord attorney-in-fact for Tenant to execute any such instrument, for and on behalf of Tenant, such appointment being coupled with an interest. Upon such attornment this Lease shall continue in full force and effect as a direct Lease between such Successor Landlord and Tenant upon all of the then executory terms of this Lease except that such Successor Landlord shall not be: (i) liable for any previous act or omission or negligence of Landlord under this Lease; (ii) subject to any counterclaim, defense or offset, not expressly provided for in this Lease and asserted with reasonable promptness, which theretofore shall have accrued to Tenant against Landlord; (iii) bound by any previous modification or amendment of this Lease made after the granting of such senior interest, or by any previous prepayment of more than one month’s Fixed Rent or Additional Rent, unless such modification or prepayment shall have been approved in writing by any Superior Lessee or Superior Mortgagee through or by reason of which the Successor Landlord shall have succeeded to the rights of Landlord under this Lease; (iv) obligated to repair the demised premises or the Building or any part thereof, in the event of total or substantial damage beyond such repair as can reasonably be completed with the net proceeds of insurance actually made available to Successor Landlord, provided all insurance to be maintained by Landlord is thus maintained; or (v) obligated to repair the demised premises or the Building or any part thereof, in the event of partial condemnation beyond such repair as can reasonably be completed with the net proceeds of any award actually made available to Successor Landlord, or consequential damages allocable to the part of the demised premises or the Building not taken. Nothing contained in this Section 74(b) shall be construed to impair any right or otherwise exercisable by any such Successor Landlord.

(c) If any act or omission by Landlord would give Tenant the right, immediately, or after lapse of time, to cancel or terminate this Lease or to claim a partial or total eviction, Tenant will not exercise any such right until (i) it has given written notice of such act or omission to each Superior Mortgagee and each Superior Lessor, whose name and address shall have previously been furnished to Tenant, by delivering notice of such act or omission addressed to each such party at its last address so furnished, and (ii) a reasonable period for remedying such act or omission shall have elapsed following such giving of notice and following the time when such Superior Mortgagee or Superior Lessor shall have become entitled under such Superior Lease or Superior Mortgage, as the case may be, to remedy the same (which shall in no event be less than the period to which Landlord would be entitled under this Lease to effect such remedy) provided such Superior Mortgagee or Superior Lessor shall, with reasonable diligence, give Tenant notice of its intention to remedy such act or omission and shall commence and continue to act upon such intention.

#### **75. Estoppel Certificate.**

Tenant shall, from time to time, upon request by Landlord, promptly, within ten (10) days of receipt of such request, execute and acknowledge a written instrument in form satisfactory to Landlord certifying to any mortgagee or purchaser, or proposed mortgagee or proposed purchaser, or any other person specified by Landlord, to Tenant’s knowledge, the following: (i) that the Lease is unmodified, valid and in full force and effect (or, if there have been modifications, that the same is/are in full force and effect as modified and stating the modifications); (ii) that there are no defaults on the part of any party hereunder to this Lease (or, if so, the nature and extent of such default); (iii) the dates to which and the amounts in which the Fixed Rent, Additional Rent and other charges herein have been paid in advance; (iv) the existence and nature of any counterclaims, offsets or defenses hereunder on Tenant’s part; (v) that the Landlord is not required to construct, alter, improve or otherwise renovate the demised premises (or, if so, the exact nature and extent of any of the foregoing); (vi) the amount of Fixed Rent and/or Additional Rent paid and payable by the Tenant; and (vii) any other matters reasonably requested by Landlord, including, without limitation, the Commencement and Expiration Dates of this Lease.



## **76. Security Deposit.**

(a) Tenant shall maintain in effect at all times during the Term, as security for the performance of Tenant's obligations under this Lease, a clean, irrevocable, transferable and unconditional standby letter of credit in a form substantially similar to the form annexed hereto as Exhibit B (the "Letter of Credit"), in an amount equal to \$1,607,872.00 (the "Security Deposit"). Landlord agrees that the form of Letter of Credit annexed hereto as Exhibit B-1 is satisfactory. The Letter of Credit shall be issued by and drawable upon any commercial bank, trust company, national banking association or savings and loan association (hereinafter referred to as the "Issuing Bank") with offices for banking purposes in the New York City metropolitan area, reasonably satisfactory to Landlord. The Letter of Credit shall name Landlord as beneficiary, be in the amount of the Security Deposit, have a term of not less than one (1) year, permit multiple drawings, be fully transferrable by Landlord without payment of any fees or charges, and otherwise be in form and content reasonably satisfactory to Landlord. If, upon any transfer, any fees or charges shall be so imposed, then such fees or charges shall be payable solely by Tenant and the Letter of Credit shall so specify. The Letter of Credit shall provide that it shall be deemed automatically renewed, without amendment, for consecutive periods of one (1) year each thereafter during the Term, unless the Issuing Bank sends notice to Landlord that it elects not to have such Letter of Credit renewed (the "Non-Renewal Notice"), which Non-Renewal Notice shall be sent not less than thirty (30) days next preceding the then expiration date of the Letter of Credit by certified mail, return receipt requested or by nationally recognized overnight courier. Landlord shall have the right, exercisable fifteen (15) days after its receipt (or upon such shorter time after receipt of the Non-Renewal Notice if the expiration date of the Letter of Credit shall occur prior to the expiration of the fifteen (15) day period) of the Non-Renewal Notice to draw the full amount of the Letter of Credit, by sight draft on the Issuing Bank, and shall hold or apply the proceeds of the Letter of Credit pursuant to the terms of this Article 76. Landlord may draw upon the Letter of Credit in whole or in part to remedy defaults by Tenant in the payment or performance of any of Tenant's obligations under this Lease. If Landlord shall have so drawn upon the Letter of Credit, Tenant shall upon demand deposit with Landlord a sum equal to the amount so drawn by Landlord.

(b) Landlord shall return the Letter of Credit to Tenant within forty five (45) days after the expiration of sooner termination of this Lease, provided, however, that if Tenant is in default under this Lease and Landlord shall be entitled to draw down on the Letter of Credit in an amount sufficient to remedy such Tenant default.

(c) Tenant agrees that in the event of a sale of the Building or a leasing of the entire Building, Landlord may transfer the cash Security Deposit held by it to such party, and, with respect to the Letter of Credit, and within ten (10) days after notice of such transfer, or such longer Tenant shall, at its sole cost, arrange for the transfer of the Letter of Credit to the new landlord, as designated by Landlord, or have the Letter of Credit reissued in the name of the new landlord (and upon such reissuance, Landlord shall return to Tenant the original Letter of Credit). Tenant thereafter agrees to look strictly to the successor Landlord for the return of the Letter of Credit. Upon such transfer and upon the successor Landlord acknowledging receipt of the deposit, the transferring Landlord will be forever released.

(d) Tenant further agrees not to encumber or assign the Security Deposit hereunder and Landlord will not be bound by any such encumbrance or assignment.

(e) (i) Provided the Tenant has not been in monetary default and/or is not then in monetary default under any of the terms or provisions under this Lease beyond the expiration of any applicable notice and grace periods, and provided the Landlord is holding the full Security Deposit required pursuant to Section 76(a) above, following thirty six (36) consecutive months of payment of Fixed Rent, the Security Deposit then being held by Landlord shall be reduced, such that the amount of security remaining on deposit with Landlord shall be equal to \$1,205,903.97. If the conditions of this Section 76(e) (i) have been satisfied and the Security Deposit reduced, Landlord shall return the then current Letter of Credit upon receipt of an amended Letter of Credit or replacement Letter of Credit in such reduced amount provided same is otherwise in accordance with the provisions of this Article 76.

(ii) Provided the Tenant has not been in monetary default and/or is not then in monetary default under any of the terms or provisions under this Lease beyond the expiration of any applicable notice and grace periods, and provided the Landlord is holding the full Security Deposit required pursuant to Section 76(e)(ii) above, following sixty (60) consecutive months of payment of Fixed Rent, the Security Deposit then being held by Landlord shall be reduced, such that the amount of security remaining on deposit with Landlord shall be equal to \$803,935.98. If the conditions of this Section 76(e)(ii) have been satisfied and the Security Deposit reduced, Landlord shall return the then current Letter of Credit upon receipt of an amended Letter of Credit or replacement Letter of Credit in such reduced amount provided same is otherwise in accordance with the provisions of this Article 76.

**77. Representations and Warranties Regarding Corporate Status.**

(a) Tenant hereby represents and warrants to Landlord that it is duly formed and validly existing under the laws of its incorporation or organization (or if a partnership, the business certificate for partners is duly filed in the county in which the partnership is conducting business), and that the person executing this Lease on behalf of Tenant is duly authorized. During the Term hereof, Tenant shall maintain its good standing status and shall pay when due and all franchise, income or other taxes applicable to the Tenant's business.

(b) Tenant hereby represents to the Landlord that its employer identification number filed with the federal government is 26-2222959.

(c) Tenant's failure to comply with the terms and provisions of this Article 77 shall constitute a material event of default under this Lease.

(d) Landlord hereby represents and warrants to Tenant that it is duly formed and validly existing under the laws of its incorporation or organization (or if a partnership, the business certificate for partners is duly filed in the county in which the partnership is conducting business), and that the person executing this Lease on behalf of Landlord is duly authorized.

**78. No Recording.**

Neither this Lease nor a memorandum of any of its contents shall be recorded by Tenant without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion. If Tenant records this Lease or a memorandum of its contents without Landlord's prior written consent, such act of recording shall be deemed a substantial default under this Lease and Landlord may, upon written notice to Tenant, terminate this Lease as of the date of such notice, and Tenant shall remain liable as provided in Article 18 herein.

**79. Tenant to Deal Directly With Landlord.**

Tenant covenants and agrees that so long as Landlord has comparable space available, it shall not enter into any agreements for any space in the Building with any tenants or subtenants in the Building and shall only obtain space in the Building directly from Landlord through a Lease Agreement directly with Landlord. For purposes of this Article 79, "comparable space" shall mean space comparable in size, condition, and lease term. A variance of up to five percent (5%) on any or all such terms shall be deemed "comparable."

**80. Intentionally Omitted.**

**81. Miscellaneous.**

(a) Submission by Landlord of this Lease for execution by Tenant shall confer no rights upon Tenant, nor impose any obligations upon Landlord, unless and until both Landlord and Tenant shall have executed this Lease, duplicate originals thereof shall have been delivered to the respective parties, and Tenant shall have paid and Landlord shall have cashed and received credit for the first installment of Fixed Rent and the Security Deposit as provided herein. Submission by Tenant of an executed counterpart of this Lease shall be deemed to constitute an irrevocable offer by Tenant for a period of thirty (30) days from the date of tender thereof.

(b) Subject to Article 13 of this Lease, without incurring any liability to Tenant, Landlord may permit access to the demised premises and open the same, whether or not Tenant shall be present, upon demand of any receiver, trustee, assignee for the benefit of creditors, sheriff, marshal or court officer entitled to, or reasonably purporting to be entitled to, such access for the purpose of taking possession of, or removing, Tenant's property or for any other lawful purpose (but this provision and any action by Landlord hereunder shall not be deemed a recognition by Landlord that the person or official making such demand has any right or interest in or to this Lease, or in or to the demised premises), or upon demand of any representative of the fire, police, building, sanitation or other department of the city, state or federal governments.

(c) The terms “person” and “persons” as used in this Lease, shall be deemed to include natural persons, firms, corporations, associations and any other private or public entities.

(d) No receipt of monies by Landlord from Tenant, after any re-entry or after the cancellation or termination of this Lease in any lawful manner, shall reinstate this Lease; and after the service of notice to terminate this Lease, or after the commencement of any action, proceeding or other remedy, Landlord may demand, receive and collect any monies due, and apply them on account of Tenant’s obligations under this Lease but without in any respect affecting such notice, action, proceeding or remedy, except that if a money judgment is being sought in any such action or proceeding, the amount of such judgment shall be reduced by such payment.

(e) Any of Tenant’s rights under this Lease shall not be exercisable nor shall same be exercised and same shall be deemed extinguished if at the time that such right first arises, the Tenant shall be in monetary default under any provisions of this Lease beyond the expiration of applicable notice and cure periods or the Tenant shall have entered into a stipulation or separate agreement with respect to any provision of this Lease relating to Tenant’s performance under this Lease which has not been fully paid or performed in accordance its terms. Subject to the provisions of Article 87, Tenant shall not join, consolidate, remove, or otherwise attempt to limit or stay any action or proceeding commenced by the Landlord against the Tenant or in which the Landlord and the Tenant are parties.

(f) No payment by Tenant nor receipt by Landlord of a lesser amount than may be required to be paid hereunder shall be deemed to be other than on account of any such payment, nor shall any endorsement or statement on any check or any letter accompanying any check tendered as payment be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to Landlord’s right to recover the balance of such payment due or pursue any other remedy in this Lease provided.

(g) The terms “Owner” and “Landlord” as used in this Lease are interchangeable. The terms “Premises” and “demised premises” as used in this Lease are interchangeable.

(h) The term “Owner”, as used in this Lease, means only the owner of Owner’s interest in the Building and demised premises from time to time. The current fee owner of the Building and the real property on which the Building is situated is Owner. In the event of any assignment, conveyance or sale, once or successively, of Owner’s interest in the Building or any assignment of this Lease by Owner, said Owner making such sale, conveyance or assignment shall be and hereby is entirely freed and relieved of all covenants and obligation of Owner hereunder accruing after such sale, conveyance or assignment, and Tenant agrees to look solely to such purchaser, grantee or assignee with respect thereto, for all purposes, including, without limitation, the reform and administration of the security deposit made hereunder or otherwise, if any. This Lease shall not be affected by any such assignment, conveyance or sale, and Tenant agrees to attorn to the purchaser, grantee or assignee. A Mortgagee (or assignee under an assignment in connection with a Mortgage) shall not be deemed such a purchaser, grantee or assignee unless and until the foreclosure of any Mortgage or the conveyance or transfer of Owner’s interest under this Lease in lieu of foreclosure, and then subject to the provisions of Article 7 and Article 74 hereof.

(i) If any provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

(j) Subject to the terms and conditions of this Lease, Tenant shall have access to the demised premises on a 24-hour-a-day, 7-day-a-week basis. Landlord shall maintain a key card or keypad system for the Building and shall provide Tenant key cards for use by Tenant’s employees (the initial set of key cards shall be at no cost to Tenant; all replacement cards shall be at Landlord’s then current Building standard charge). In addition, Landlord shall provide a manned security desk in the Building’s lobby from 9:00 a.m. to 5:00 p.m. Monday through Friday. Tenant shall be permitted, at Tenant’s sole cost and expense, to install its own security system at the demised premises, which may be a card access security system, provided same is installed and maintained in compliance with the provisions of this Lease.

(k) Notwithstanding anything contained herein to the contrary, Tenant shall not be bound by any subsequently adopted rule or regulation that materially and adversely (i) modifies or increases Tenant’s obligations under this Lease or (ii) modifies or decreases Tenant’s rights and privileges hereunder.

**82. Setbacks, Roof Areas.**

If the demised premises are adjacent to any setback or roof area of the Building, Tenant covenants not to use or permit the use of same for any purpose whatsoever. Tenant shall give Landlord access to setback areas, if any, upon prior notice thereof, which notice may be oral.

**83. Diagram.**

Tenant acknowledges that it has been informed by Landlord that any diagram attached to this Lease is solely for the purpose of identifying the premises demised hereunder and Landlord has made no representation and nothing in this Lease shall be deemed or construed to be a representation or covenant as to the dimensions of and/or the square foot area contained in the demised premises.

**84. No Encumbrance.**

Tenant for itself and for its successors and assigns expressly covenants and agrees that it shall not mortgage or otherwise in any manner encumber the demised premises or any part thereof without the express prior written consent of Landlord which may be withheld in its sole discretion.

**85. Intentionally Omitted.**

**86. Final Agreement.**

This Lease constitutes the entire agreement between the parties hereto and no earlier statements or prior written matter shall have any force or effect. Landlord and Tenant agree that it is not relying on any representations or agreements other than those expressly contained in this Lease. This Lease shall not be modified except by written instrument subscribed by both parties.

**87. Counterclaims.**

Tenant agrees that in any action or proceeding commenced by the Landlord against the Tenant or otherwise arising out of this Lease that the Tenant (or any permitted successor or assign thereof) shall not interpose and hereby waives any and all offsets, counterclaims (except compulsory counterclaims) and defenses, except as may be provided for in this Lease.

**88. Non-Prohibited Person.**

Tenant and Landlord each hereby represent and warrant to the other that neither Tenant nor Landlord, as applicable, nor any of their officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests in Tenant or Landlord) is or will be an entity or person: (i) that is listed in the Annex to, or is otherwise subject to the provisions of Executive Order 13224 issued on September 24, 2001 ("EO13224"); (ii) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("OFAC") most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, <http://www.treas.gov/ofac/tl1sdn.pdf>); (iii) who commits, threatens to commit or supports "terrorism", as that term is defined in EO 13224; or (iv) who is otherwise affiliated with any entity or person listed above (any and all parties or persons described in clauses (i) B (iv) above are herein referred to as a "Prohibited Person"). Each party covenants and agrees that none of its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests) will: (i) conduct any business, nor engage in any transaction or dealing, with any Prohibited Person, including, but not limited to, the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person; or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in EO13224. Each party further covenants and agrees to deliver (from time to time) to the other any such certification or other evidence as may be requested by the other in its sole and absolute discretion, confirming that: (i) neither Tenant or Landlord, as applicable, nor their officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests) is a Prohibited Person; and (ii) neither Tenant nor Landlord, as applicable, nor their officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests in Tenant) has engaged in any business, transaction or dealings with a Prohibited Person, including, but not limited to, the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person.

## **89. Landlord's Work.**

(a) On the Commencement Date, Landlord shall deliver the demised premises to Tenant in its "as- is" condition, subject to the following (collectively, "Landlord's Work"): (i) all existing furniture, fixtures and equipment identified on the inventory schedule annexed hereto as Exhibit C shall remain in the demised premises (collectively, the "Furniture"); (ii) all building systems shall be in good working order and delivered fully functional; (iii) all data and telecommunication infrastructure shall be in place with all termination points un-cut and in good working order; (iv) any and all damage caused by the existing tenant's move-out shall be repaired; and (v) Landlord shall provide Tenant with a clean ACP-5 for the demised premises. Landlord's Work shall be performed by Landlord at its sole cost and expense, subject to the limitations set forth in Section 89(b) below, in a first class and good and workmanlike manner and in accordance with applicable laws. Landlord shall endeavor to give Tenant five (5) days' advance notice of the Commencement Date.

(b) Notwithstanding anything to the contrary contained herein, during the Term, Tenant shall have the right to use the Furniture at no additional cost to Tenant. Tenant hereby acknowledges that it is taking the Furniture in its "AS -IS, WHERE IS" condition with any and all faults existing on the date hereof, and that Landlord makes no representations or warranties as to the merchantability or condition of the Furniture. The Furniture shall be the property of Tenant, and to the extent any Furniture is damaged, destroyed, or in need of repair, Landlord shall be under no obligation to repair and/or replace same, all of which repair work and/or replacements shall be the responsibility of Tenant.

(c) Notwithstanding anything to the contrary contained herein, in the event Landlord is delayed in completing Landlord's Work due to delay caused by Tenant and Tenant does not cease such delay within two (2) days of receiving written notice of such delay (a "Tenant Delay"), the applicable Landlord's Work shall be deemed substantially completed on the date it reasonably would have been substantially completed but for the Tenant Delay, and the Commencement Date shall be the date it would have been but for the Tenant Delay. Tenant agrees that in the event its contractors and subcontractors are performing any Tenant's Work simultaneously with the performance Landlord's Work, Tenant will use commercially reasonable efforts to minimize interference with Landlord's performance of Landlord's Work; should Tenant's Work interfere with the performance of Landlord's Work, the Commencement Date shall be the date Landlord's Work would have been completed but for the Tenant Delay.

## **90. Tenant's Termination Option.**

(a) Notwithstanding the stated Expiration Date, Tenant shall have the one time right to terminate this Lease with respect to the entire demised premises, effective as of the seventh (7<sup>th</sup>) anniversary of the Rent Commencement Date. Such termination shall be on no less than twelve (12) months' prior written notice to Landlord (the "Termination Notice"), **TIME BEING OF THE ESSENCE WITH RESPECT TO THE GIVING OF THE NOTICE**. A failure to timely provide the Termination Notice shall constitute a waiver of Tenant's right to subsequently send such notice. The termination option shall be personal to Tenant named herein and its Permitted Transferees and shall not otherwise be transferrable by Tenant to any third party.

(b) The Termination Payment (as defined herein) shall be paid by Tenant as follows: fifty percent (50%) of the Termination Payment shall be paid simultaneous with the giving of the Termination Notice, and the remaining fifty percent (50%) of the Termination Payment shall be paid on or before the date set forth in the Termination Notice as the termination date. The "Termination Payment" shall be a fee, equal to \$444,156.00, representing the following unamortized costs of Landlord in connection with the Lease (as same may have been amended): the Rent concession, the cost of Landlord's Work and brokerage commissions. A failure to remit any installment of the Termination Payment shall result in the Termination Notice being deemed ineffective.

## **91. Right of First Offer.**

(a) Notwithstanding anything to the contrary contained herein, Tenant shall have a one-time right of first offer (the "ROFO") to lease either the fourth (4<sup>th</sup>) floor of the Building (the "Fourth Floor Offer Space") or the third (3<sup>rd</sup>) floor of the Building (the "Third Floor Offer Space") pursuant to the terms of this Article 91.

(b) The parties acknowledge that the Fourth Floor Offer Space is currently being leased pursuant to a lease set to expire on March 31, 2016 (the "Existing Lease"), and Tenant's ROFO with respect to the Fourth Floor Offer Space is subordinate to the rights of such existing tenant (the "Existing Tenant") to renew the Existing Lease, whether or not such renewal is made as of right pursuant to the terms of the Existing Lease. The parties further acknowledge that the Third Floor Offer Space is currently being leased pursuant to a lease set to expire on March 31, 2016. If Tenant desires to lease the Fourth Floor Offer Space, it must give written notice to Landlord (the "Tenant Notice") on or before September 1, 2015, **TIME SHALL BE OF THE ESSENCE** with respect to the giving of such Tenant Notice. Landlord shall have until October 1, 2015 to notify Tenant in writing as to whether or not the Fourth Floor Offer Space will be available for rent after the expiration of the Existing Lease or whether the Existing Lease is being renewed; if the Existing Lease is being renewed, Tenant's ROFO with respect to the Fourth Floor Office Space shall be null and void but Tenant shall instead have a ROFO with respect to the Third Floor Offer Space, which shall be deemed exercised by virtue of the Tenant Notice.

(c) Landlord's notice delivered on or before October 1, 2015 (the "Offer Notice") shall contain the following information: (i) the space available for rent (i.e., either the Fourth Floor Offer Space or the Third Floor Offer Space) and the fixed rent for the applicable Offer Space (which shall be 100% of the then current fair market value of the applicable Offer Space), term (which shall commence upon delivery in the Offer Space's then as-is condition and be co-terminus with the Term of this Lease), escalations (types of escalation(s) and base year(s)), security deposit, free rent, improvement allowance, and other material economic terms under which Landlord believes it will be able to lease the Offer Space to a bona fide third party in the marketplace (the "Anticipated Business Terms"); (ii) set forth the Offer Response Period of thirty (30) days; and (iii) state IN ALL CAPITAL LETTERS that failure to respond within the Offer Response Period will constitute a waiver of Tenant's ROFO. Within thirty (30) days after receiving the Offer Notice (the "Offer Response Period"), Tenant may elect, by written notice to Landlord delivered within the Offer Response Period (or on the first Business Day after the Offer Response Period has expired if the Offer Response Period falls on a non-Business Day), to accept the Offer Space in accordance with all Anticipated Business Terms and the ROFO Notice and otherwise in accordance with the terms of this Lease or, if Tenant objects to Landlord's proposed fixed rent, to submit its proposed fixed rent amount. **TIME SHALL BE OF THE ESSENCE** with respect to the Offer Response Period and the delivery of Tenant's exercise notice. Tenant's failure to validly exercise its ROFO within the Offer Response Period (or on the next Business Day thereafter if the Offer Response Period falls on a non-Business Day) shall constitute Tenant's waiver of the ROFO regarding the Offer Space, and Landlord may lease the Offer Space to a third party. Notwithstanding the foregoing, in the event a monetary default is continuing under the Lease beyond the expiration of applicable notice and cure periods at the time of the exercise of its ROFO or as of the date the Offer Space is added to the demised premises, Landlord may refuse to permit the exercise of the ROFO or the addition of the Offer Space to the demised premises, and it shall be as if Tenant never exercised its ROFO except that Tenant shall have no further ROFO.

(d) If, within thirty (30) days following receipt of Tenant's proposal, Landlord and Tenant are unable to agree upon the fixed rent, Landlord and Tenant shall each hire a licensed and reputable real estate broker or appraiser having at least 10 years' experience with commercial real estate in the downtown New York City market (respectively, "Landlord's Broker" and "Tenant's Broker"), with such appointment being made within ten (10) days after the expiration of such thirty (30) day period. If, Landlord's Broker and Tenant's Broker are unable to agree upon a determination of the fixed rent for the Offer Space by the thirtieth (30<sup>th</sup>) day following the later of the appointment of Landlord's Broker or Tenant's Broker, then they shall select a mutually acceptable third licensed real estate broker or appraiser having at least ten (10) years' experience with commercial real estate in the downtown New York City market area (the "Third Broker") (and if they are unable to so agree on a Third Broker, the selection shall be made, upon application of Landlord or Tenant, by the American Arbitration Association having a chapter closest to the demised premises), which Third Broker shall within thirty (30) days of appointment choose either the determination of the fixed rent of Landlord's Broker or Tenant's Broker to be the fixed rent for the Offer Space and such choice shall be binding on Landlord and Tenant; provided, however, if the determination of the fixed rent of Landlord's Broker and Tenant's Broker differ by \$50,000 or less per year, then the fixed rent for the Offer Space shall be deemed to be the average of the two estimates and there shall be no need for the Third Broker. Landlord and Tenant shall each pay the fee of their own broker and shall share equally the cost of the Third Broker and of any proceedings necessary to select the Third Broker.

(e) If Tenant validly exercises its ROFO, then the parties shall promptly amend this Lease to add the applicable Offer Space to the demised premises in accordance with the ROFO Notice that Tenant accepted. If Tenant fails to exercise its ROFO and Landlord enters into a Lease for the applicable Offer Space on the Anticipated Business Terms, Tenant's ROFO shall permanently and irrevocably terminate.

(f) If Tenant rejects, or is deemed to have rejected, Landlord's offer, Landlord shall be free to lease the Offer Space to any party upon substantially the same terms and conditions contained in the ROFO Notice.

(g) Tenant's ROFO shall be personal to Tenant and its Permitted Transferees that do not require Landlord's consent under Article 50, and shall not be transferrable by Tenant to any third party, including, without limit, any subtenant or assignee requiring Landlord's consent.

**92. Inability to Perform.**

Notwithstanding anything to the contrary contained in this Lease, in the event Tenant is unable to operate its business from a part or all of the demised premises due to the interruption of any utilities and services caused by Landlord's negligence or the negligence of Landlord's employees, agents, servants or contractors and Tenant actually ceases business operations from part or all of the demised premises due to such interruption and further provided Tenant shall not be in default beyond applicable notice and cure periods, Tenant shall receive an abatement of Fixed Rent in proportion to the portion of the demised premises that is unusable for that period of time commencing upon the fourth (4<sup>th</sup>) consecutive business day upon which Tenant ceases its business operations from the demised premises and extending through the date that is the earlier of the day prior to the day Tenant reopens the demised premises or the day services are resumed.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Landlord and Tenant have each executed this Lease as of the date first written above.

**LANDLORD:**

**BRICKMAN 95 MORTON LLC**

By: \_\_\_\_\_  
Name:  
Title:

**TENANT:**

**INTEGRAL AD SCIENCE, INC.**

By: \_\_\_\_\_  
Name:  
Title:



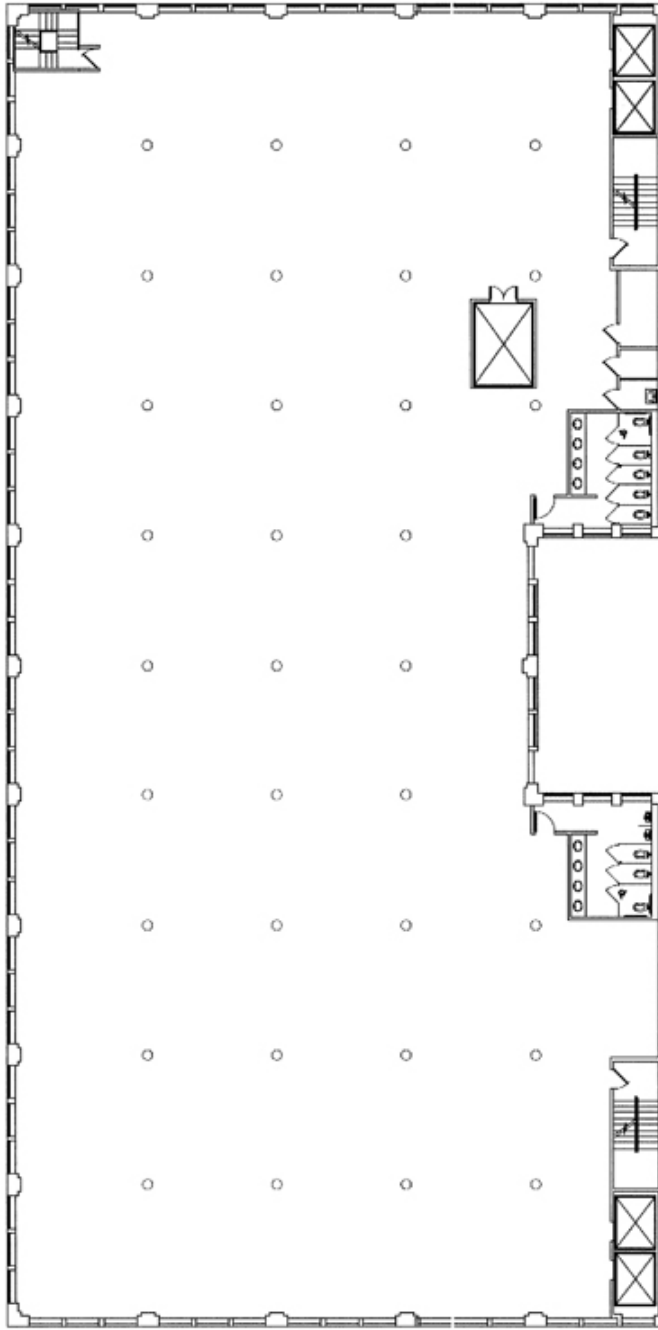
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**EXHIBIT A**

**FLOOR PLAN**

[Attached]

WASHINGTON STREET



BARROW STREET

MORTON STREET

Paul Koehler, Director of Leasing  
(212) 541-5500 – [pkoeher@brickmanre.com](mailto:pkoeher@brickmanre.com)



**EXHIBIT B**

**FORM OF LETTER OF CREDIT**

**STANDBY LETTER OF CREDIT**

\_\_\_\_\_, \_\_\_\_\_  
Letter of Credit No. \_\_\_\_\_

Brickman 95 Morton LLC  
c/o Brickman Associates  
712 Fifth Avenue  
New York, New York 10022

Ladies and Gentlemen:

At the request and for the account of *[Insert Account Party]* ("Account Party"), we hereby establish in your favor our Irrevocable Standby Letter of Credit No. \_\_\_\_\_ in the amount of *[Insert the amount in words]* (*[\$Insert the amount in numbers]*) effective immediately and expiring *[Insert expiration date here, which shall be at least one (1) year from date of issuance]*, subject to extension as provided below.

Funds under this Letter of Credit are available to you against your draft payable on the date draft is drawn on us, stating on its face: "Drawn under *[Insert name of issuing bank]* Irrevocable Letter of Credit No. \_\_\_\_\_." Such draft(s) shall be dated the date of presentation which shall be made at our offices located at *[insert address of issuing bank - must be NY or NJ bank]*.

This Letter of Credit shall be deemed automatically extended without further amendment for additional period(s) of one (1) year from the present or any future expiration date hereof, unless at least 90 days before any such expiration date we shall send written notice to you by registered mail or overnight courier that we elect not to renew this Letter of Credit for such additional period, whereupon you may draw down for the available amount under this Letter of Credit by means of your sight draft(s), drawn on us, mentioning Irrevocable Standby Letter of Credit No. \_\_\_\_\_.

Partial and multiple drawings are permitted. This Letter of Credit is transferable in whole but not in part and may be successively transferred by you or any transferee hereunder to a successor transferee(s). Transfer under this Letter of Credit to such transferee shall be effected upon presentation to us of the original of this Letter of Credit and any amendments hereto accompanied by a request designating the transferee in the form of Exhibit A annexed hereto, appropriately completed. We shall effect any such transfer regardless of whether we are in receipt of any transfer fee payable to us. We agree that we shall collect any such transfer fee from the Account Party and that you are not responsible for the payment of any transfer fee required by us to transfer this Letter of Credit.

Partial drawings are allowed under this Letter of Credit. Each presentation honored by us shall immediately reduce the amount available to be drawn hereunder in the amount of the payment made in respect of such presentation.

Payment under this Letter of Credit will be made out of our funds and, if requested by you, will be made by wire transfer of federal funds to your account with any bank which is a member of the Federal Reserve System.

We agree that we shall have no duty or right to inquire as to the basis upon which beneficiary has determined to present us any draft under this letter of credit.

Except as far as otherwise expressly stated herein, this Irrevocable Standby Letter of Credit is subject to the Uniform Customs and Practice for Documentary Letters of Credit, International Chamber of Commerce, Publication No. 600, and as to matters not governed by the UCP 600, shall be governed by and construed in accordance with the laws of the State of New York and applicable United States Federal Law.

Very truly yours,

---

Authorized Signature  
Standby/Guarantee Unit  
[Insert Telephone Number]

ANNEX 1  
NOTICE OF TRANSFER

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Re: Letter of Credit No. \_\_\_\_\_  
(the "Letter of Credit")

Ladies and Gentlemen:

For value received, the undersigned beneficiary (the "Beneficiary") hereby irrevocably transfers to (the "Transferee"):

\_\_\_\_\_  
(Name of Transferee)

\_\_\_\_\_  
\_\_\_\_\_  
(Address)

all rights of the Beneficiary to draw under the above-referenced Letter of Credit in its entirety.

By this transfer, all rights of the Beneficiary in the Letter of Credit are transferred to the Transferee and the Transferee shall have the sole rights as beneficiary thereof.

SIGNATURE AUTHENTICATED

\_\_\_\_\_  
(Name of Bank)

\_\_\_\_\_  
(Authorized signature)

Yours very truly,

\_\_\_\_\_  
(Name of Beneficiary)

By \_\_\_\_\_  
\_\_\_\_\_  
(printed name and title)

---

**EXHIBIT B-1**

**APPROVED LETTER OF CREDIT**

[Attached]

**EXHIBIT B**

**FORM OF LETTER OF CREDIT**

**STANDBY L/C DRAFT LANGUAGE**

IRREVOCABLE STANDBY LETTER OF CREDIT NO. SVBSF \_\_\_\_\_

DATE: 07/01/2014

**BENEFICIARY:**

BRICKMAN 95 MORTON LLC  
C/O BRICKMAN ASSOCAITES  
712 FIFTH AVENUE  
NEW YORK, NEW TORK 10022

**APPLICANT:**

INTEGRAL AD SCIENCE, INC  
37 E 18TH STREET  
7TH FLOOR  
NEW YORK NY 10003

AMOUNT: US\$1,607,872.00 (ONE MILLION SIX HUNDRED SEVEN THOUSAND EIGHT HUNDRED SEVENTY TWO AND NO/100 U.S. DOLLARS)

EXPIRATION DATE: (ONE YEAR FROM ISSUANCE)

LOCATION: AT OUR COUNTERS IN SANTA CLARA, CALIFORNIA

DEAR SIR/MADAM:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. SVBSF \_\_\_\_\_ IN YOUR FAVOR AVAILABLE BY YOUR DRAFTS DRAWN ON US AT SIGHT IN THE FORM OF EXHIBIT "A" ATTACHED AND ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. THE ORIGINAL OF THIS LETTER OF CREDIT AND ALL AMENDMENT(S), IF ANY.
2. A DATED CERTIFICATION FROM THE BENEFICIARY SIGNED BY AN AUTHORIZED OFFICER, FOLLOWED BY HIS/HER PRINTED NAME, DESIGNATED TITLE, STATING THE FOLLOWING:

(A) "DRAWN UNDER FROM SILICON VALLEY BANK LETTER OF CREDIT NUMBER SVBSF \_\_\_\_\_."

-OR-

(B) "BENEFICIARY HAS RECEIVED A NOTICE FROM SILICON VALLEY BANK THAT LETTER OF CREDIT NUMBER SVBSF \_\_\_\_\_ WILL NOT BE EXTENDED AND APPLICANT HAS FAILED TO PROVIDE A NEW LETTER OF CREDIT SATISFACTORY TO BENEFICIARY WITHIN THIRTY (30) DAYS PRIOR TO THE CURRENT EXPIRY DATE."

PARTIAL AND MULTIPLE DRAWS ARE ALLOWED. THIS LETTER OF CREDIT MUST ACCOMPANY ANY DRAWINGS HEREUNDER FOR ENDORSEMENT OF THE DRAWING AMOUNT AND WILL BE RETURNED TO THE BENEFICIARY UNLESS IT IS FULLY UTILIZED.

DRAFT(S) AND DOCUMENTS MUST INDICATE THE NUMBER AND DATE OF THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY EXTENDED FOR AN ADDITIONAL PERIOD OF ONE YEAR, WITHOUT AMENDMENT, FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE UNLESS AT LEAST 30 DAYS PRIOR TO THE THEN CURRENT EXPIRATION DATE WE SEND YOU A NOTICE BY REGISTERED MAIL OR OVERNIGHT COURIER SERVICE AT THE ABOVE ADDRESS THAT THIS LETTER OF CREDIT WILL NOT BE EXTENDED BEYOND THE CURRENT EXPIRATION DATE. IN NO EVENT SHALL THIS LETTER OF CREDIT BE AUTOMATICALLY EXTENDED BEYOND \_\_\_\_\_, 20\_\_ WHICH SHALL BE THE FINAL EXPIRATION DATE OF THIS LETTER OF CREDIT.

Brickman Associates / 95 Morton - Integral Ad Science, Inc. - Lease / LC v4

THIS LETTER OF CREDIT IS TRANSFERABLE BY THE ISSUING BANK ONE OR MORE TIMES BUT IN EACH INSTANCE TO A SINGLE BENEFICIARY AND ONLY IN ITS ENTIRETY UP TO THE THEN AVAILABLE AMOUNT IN FAVOR OF ANY NOMINATED TRANSFEREE ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE WOULD BE IN COMPLIANCE WITH THEN APPLICABLE LAW AND REGULATIONS, INCLUDING BUT NOT LIMITED TO THE REGULATIONS OF THE U.S. DEPARTMENT OF TREASURY AND U.S. DEPARTMENT OF COMMERCE. AT THE TIME OF TRANSFER, THE ORIGINAL LETTER OF CREDIT AND ORIGINAL AMENDMENT(S), IF ANY, MUST BE SURRENDERED TO US TOGETHER WITH OUR LETTER OF TRANSFER DOCUMENTATION (IN THE FORM OF EXHIBIT "B" ATTACHED HERETO). APPLICANT SHALL PAY OUR TRANSFER FEE OF 1/4 OF 1% OF THE TRANSFER AMOUNT (MINIMUM US\$ 250.00) UNDER THIS LETTER OF CREDIT. ANY REQUEST FOR TRANSFER WILL BE EFFECTED BY US SUBJECT TO THE ABOVE CONDITIONS. HOWEVER, ANY TRANSFER IS NOT CONTINGENT UPON APPLICANT'S ABILITY TO PAY OUR TRANSFER FEE. ANY TRANSFER OF THIS LETTER OF CREDIT MAY NOT CHANGE THE PLACE OF EXPIRATION OF THE LETTER OF CREDIT FROM OUR ABOVE-SPECIFIED OFFICE. EACH TRANSFER SHALL BE EVIDENCED BY OUR ENDORSEMENT ON THE REVERSE OF THE ORIGINAL LETTER OF CREDIT AND WE SHALL FORWARD THE ORIGINAL LETTER OF CREDIT TO THE TRANSFEREE.

ALL DEMANDS FOR PAYMENT SHALL BE MADE BY PRESENTATION OF THE ORIGINAL APPROPRIATE DOCUMENTS ON A BUSINESS DAY AT OUR OFFICE (THE "BANK'S OFFICE") AT: SILICON VALLEY BANK, 3003 TASMAN DRIVE, SANTA CLARA, CA 95054, ATTENTION: STANDBY LETTER OF CREDIT NEGOTIATION SECTION **OR BY FACSIMILE TRANSMISSION** AT: (408) 496-2418 OR (408) 969-6510 ; AND SIMULTANEOUSLY UNDER TELEPHONE ADVICE TO: (408) 654-6274 OR (408) 654-7716, ATTENTION: STANDBY LETTER OF CREDIT NEGOTIATION SECTION WITH ORIGINALS TO FOLLOW BY OVERNIGHT COURIER SERVICE; PROVIDED, HOWEVER, THE BANK WILL DETERMINE HONOR OR DISHONOR ON THE BASIS OF PRESENTATION BY FACSIMILE ALONE, AND WILL NOT EXAMINE THE ORIGINALS.

WE HEREBY AGREE WITH THE DRAWERS, ENDORSERS AND BONAFIDE HOLDERS THAT THE DRAFTS DRAWN UNDER AND IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT SHALL BE DULY HONORED UPON PRESENTATION TO THE DRAWEE, IF NEGOTIATED ON OR BEFORE THE EXPIRATION DATE OF THIS CREDIT.

IF ANY INSTRUCTIONS ACCOMPANYING A DRAWING UNDER THIS LETTER OF CREDIT REQUEST THAT PAYMENT IS TO BE MADE BY TRANSFER TO YOUR ACCOUNT WITH ANOTHER BANK, WE WILL ONLY EFFECT SUCH PAYMENT BY FED WIRE TO A U.S. REGULATED BANK, AND WE AND/OR SUCH OTHER BANK MAY RELY ON AN ACCOUNT NUMBER SPECIFIED IN SUCH INSTRUCTIONS EVEN IF THE NUMBER IDENTIFIES A PERSON OR ENTITY DIFFERENT FROM THE INTENDED PAYEE.

WE AGREE THAT WE SHALL HAVE NO DUTY OR RIGHT TO INQUIRE AS TO THE BASIS UPON WHICH BENEFICIARY HAS DETERMINED TO PRESENT US ANY DRAFT UNDER THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES ISP98, INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 590 ("ISP98").

\_\_\_\_\_[BANK USE] \_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_[BANK USE] \_\_\_\_\_  
AUTHORIZED SIGNATURE



**EXHIBIT "A"**

DATE: _____	REF. NO.
AT SIGHT OF THIS DRAFT	
PAY TO THE ORDER OF _____	
US\$ _____	
USDOLLARS	
DRAWN UNDER SILICON VALLEY BANK, SANTA CLARA, CALIFORNIA, STANDBY LETTER OF CREDIT NUMBER NO. _____ DATED _____	
TO: SILICON VALLEY BANK 3003 TASMAN DRIVE	
SANTA CLARA, CA 95054	(BENEFICIARY'S NAME)
.....	<b>Authorized Signature</b>

**GUIDELINES TO PREPARE THE DRAFT**

1. DATE: ISSUANCE DATE OF DRAFT.
2. REF. NO.: BENEFICIARY'S REFERENCE NUMBER, IF ANY.
3. PAY TO THE ORDER OF: NAME OF BENEFICIARY AS INDICATED IN THE L/C (MAKE SURE BENEFICIARY ENDORSES IT ON THE REVERSE SIDE).
4. US\$: AMOUNT OF DRAWING IN FIGURES.
5. USDOLLARS: AMOUNT OF DRAWING IN WORDS.
6. LETTER OF CREDIT NUMBER: SILICON VALLEY BANK'S STANDBY L/C NUMBER THAT PERTAINS TO THE DRAWING.
7. DATED: ISSUANCE DATE OF THE STANDBY L/C.
8. BENEFICIARY'S NAME: NAME OF BENEFICIARY AS INDICATED IN THE L/C.
9. AUTHORIZED SIGNATURE: SIGNED BY AN AUTHORIZED SIGNER OF BENEFICIARY.

IF YOU NEED FURTHER ASSISTANCE IN COMPLETING THIS DRAFT, PLEASE CALL OUR L/C PAYMENT SECTION AT 408-654-6274 OR 408-654-7716 OR 408-654-7127 OR 408-654-3035.

EXHIBIT "B"

DATE:

TO: SILICON VALLEY BANK  
3003 TASMAN DRIVE  
OF CREDIT  
SANTA CLARA, CA 95054  
ISSUED BY  
ATTN: INTERNATIONAL DIVISION.  
CLARA

RE: IRREVOCABLE STANDBY LETTER

NO.

SILICON VALLEY BANK, SANTA

STANDBY LETTERS OF CREDIT

L/C AMOUNT:

GENTLEMEN:

FOR VALUE RECEIVED, THE UNDERSIGNED BENEFICIARY HEREBY IRREVOCABLY TRANSFERS TO:

(NAME OF TRANSFEREE)  
(ADDRESS)

ALL RIGHTS OF THE UNDERSIGNED BENEFICIARY TO DRAW UNDER THE ABOVE LETTER OF CREDIT UP TO ITS AVAILABLE AMOUNT AS SHOWN ABOVE AS OF THE DATE OF THIS TRANSFER.

BY THIS TRANSFER, ALL RIGHTS OF THE UNDERSIGNED BENEFICIARY IN SUCH LETTER OF CREDIT ARE TRANSFERRED TO THE TRANSFEREE. TRANSFEREE SHALL HAVE THE SOLE RIGHTS AS BENEFICIARY THEREOF, INCLUDING SOLE RIGHTS RELATING TO ANY AMENDMENTS, WHETHER INCREASES OR EXTENSIONS OR OTHER AMENDMENTS, AND WHETHER NOW EXISTING OR HEREAFTER MADE. ALL AMENDMENTS ARE TO BE ADVISED DIRECT TO THE TRANSFEREE WITHOUT NECESSITY OF ANY CONSENT OF OR NOTICE TO THE UNDERSIGNED BENEFICIARY.

THE ORIGINAL OF SUCH LETTER OF CREDIT IS RETURNED HERewith, AND WE ASK YOU TO ENDORSE THE TRANSFER ON THE REVERSE THEREOF, AND FORWARD IT DIRECTLY TO THE TRANSFEREE WITH YOUR CUSTOMARY NOTICE OF TRANSFER.

SINCERELY,

\_\_\_\_\_  
(BENEFICIARY'S NAME)

\_\_\_\_\_  
(SIGNATURE OF BENEFICIARY)

\_\_\_\_\_  
(NAME AND TITLE)

SIGNATURE AUTHENTICATED	
The name(s), title (s), and signature(s) conform to that/those on file with us for the company and the signature(s) is/are authorized to execute this instrument.	
We further confirm that the company has been identified applying the appropriate due diligence and enhanced due diligence as required by BSA and all its subsequent amendments.	
	(Name of Bank)
	(Address of Bank)
	(City, State, ZIP Code)
	(Authorized Name and Title)

**EXHIBIT C****FURNITURE INVENTORY**

<b>Category</b>	<b>Item</b>	<b>Quantity</b>
chairs	Blu Dot Real Good stool	2
Chairs	Orange cup chairs	2
chairs	All-Welded Stools with Adjustable Leg Extension	9
Chairs	VITRA Panton Chair white curve chairs	9
Chairs	Misc Rolling Chairs	13
Chairs	Molded Plastic Side Chair Black Cup metal legs	16
Chairs	Molded Plastic Side Chair with Dowel-Leg Base	18
chairs	Blu Dot chairs	21
Chairs	VITRA Panton Chair red curve chairs	27
Chairs	SAYL Chairs	149
Chairs/Grey Room	ergoErgo orange	8
Chairs/Red Room	emeco 111 NAVY® CHAIR metal chairs	6
Desk	Eames Desk Unit	1
Desk	ARRé (with opening)	6
Desk	Ikea	134
desk organizer	Herman miller Set	137
File cabinet	CB2	63
File cabinet	Heart Work	83
furniture	cassette stand	1
furniture	Fab table view	1
furniture	Lamps	2
IT Equipment	Conference speaker phones	2
IT Equipment	Deskphones	35
IT Equipment	Apple Keyboards	40
Kitchen	Metal shelf	4
Monitors	24"	13
Monitors	27"	36
printer	various HP printers	2
Security Cameras	Security System with DVR	1
Table	Black wood table	1
Table	Blu Dot table	1
Table	Boardroom main table	1
Table	Boardroom metal table	1
Table	Boardroom round	1
Table	with wood panels	3
table	Blu Dot Strut Large	4
table	Blu Dot Strut 56"	8
Table/Red Room	glass table	1
Trash Bin	Kitchen Trash bin	2
Trash Bin	White small	16
TV	Standard	2
white ikea shelf	Large	4
white ikea shelf	Small	12

---

**EXHIBIT D**

**FORM OF SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT**

[Attached]

FORM OF SNDA

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

Tenant Name: \_\_\_\_\_
Trade Name: \_\_\_\_\_
Room/Unit No.: \_\_\_\_\_

THIS AGREEMENT is dated the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and is made by and among CONNECTICUT GENERAL LIFE INSURANCE COMPANY, having an address c/o CIGNA Investments, Inc., Wilde Building, 900 Cottage Grove Road, Hartford, Connecticut 06152, Attn: Debt Asset Management, A4-CRI ("Mortgagee"), \_\_\_\_\_

\_\_\_\_\_,
d/b/a \_\_\_\_\_, having an address
of \_\_\_\_\_ ("Tenant"), and \_\_\_\_\_
\_\_\_\_\_, having an address of \_\_\_\_\_
\_\_\_\_\_ ("Landlord").

RECITALS:

A. Tenant has entered into a lease ("Lease") dated \_\_\_\_\_ with \_\_\_\_\_ as lessor ("Landlord"), covering the premises known as \_\_\_\_\_ (the "Premises") within the property known as \_\_\_\_\_, more particularly described as shown on Exhibit A, attached hereto (the "Real Property").

B. Mortgagee has agreed to make or has made a mortgage loan in the amount of \_\_\_\_\_ to Landlord, secured by a mortgage of the Real Property (the "Mortgage"), and the parties desire to set forth their agreement herein.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The Lease and all extensions, renewals, replacements or modifications thereof are and shall be subject and subordinate to the Mortgage and all terms and conditions thereof insofar as it affects the Real Property of which the Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof, to the full extent of amounts secured thereby and interest thereon.

2. Tenant shall attorn to and recognize any purchaser at a foreclosure sale under the Mortgage, any transferee who acquires the Premises by deed in lieu of foreclosure, and the successors and assigns of such purchaser(s), as its landlord for the unexpired balance (and any extensions, if exercised) of the term of the Lease on the same terms and conditions set forth in the Lease.

3. If it becomes necessary to foreclose the Mortgage, Mortgagee shall neither terminate the Lease nor join Tenant in summary or foreclosure proceedings for the purpose of terminating the Lease so long as Tenant is not in default under any of the terms, covenants, or conditions of the Lease beyond any applicable notice and cure periods.

4. If Mortgagee succeeds to the interest of Landlord under the Lease, Mortgagee shall not be: (a) liable for the return of any security deposit unless such deposit has been delivered to Mortgagee by Landlord or is in an escrow fund available to Mortgagee, (b) bound by any rent or additional rent that Tenant might have paid for more than the current month to any prior landlord (including Landlord), (c) bound by any amendment, modification, or termination of the Lease made without Mortgagee's prior written consent (which consent shall not be unreasonably withheld or delayed), or (d) personally liable under the Lease, Mortgagee's liability thereunder being limited to its interest in the Real Property.

5. This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their successors and assigns.

6. Tenant shall give Mortgagee, by commercial overnight delivery service, a copy of any notice of default served on Landlord at the same time such notice is sent to the Landlord, addressed to Mortgagee at Mortgagee's address set forth above or at such other address as to which Tenant has been notified in writing. Mortgagee shall have the right, but not the obligation, to cure such default within the time period specified in the Lease.

7. Landlord has agreed under the Mortgage and other loan documents that rentals payable under the Lease shall be paid directly by Tenant to Mortgagee upon default by Landlord under the Mortgage. After receipt of notice from Mortgagee to Tenant, at the address set forth above or at such other address as to which Mortgagee has been notified in writing, that rentals under the Lease should be paid to Mortgagee, Tenant shall pay to Mortgagee, or at the direction of Mortgagee, all monies due or to become due to Landlord under the Lease. Tenant shall have no responsibility to ascertain whether such demand by Mortgagee is permitted under the Mortgage, or to inquire into the existence of a default. Landlord hereby waives any right, claim, or demand it may now or hereafter have against Tenant by reason of such payment to Mortgagee, and any such payment shall discharge the obligations of Tenant to make such payment to Landlord.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

WITNESSES:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

MORTGAGEE:

CONNECTICUT GENERAL LIFE INSURANCE COMPANY

By: CIGNA Investments, Inc., its authorized representative

By: \_\_\_\_\_

Its: \_\_\_\_\_

TENANT:

Integral Ad Science, Inc.

By: /s/ Kristin Leary

Its: SVP, Finance

LANDLORD:

\_\_\_\_\_  
By: /s/ Bruce Brickman

\_\_\_\_\_  
Its:

STATE OF CONNECTICUT

ss. Bloomfield

COUNTY OF HARTFORD

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned officer, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of CIGNA Investments, Inc., authorized representative for Connecticut General Life Insurance Company, and signed the foregoing instrument for the purposes therein contained as his free act and deed and the free act and deed of such entity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year aforesaid.

\_\_\_\_\_  
Notary Public

My Commission Expires:



STATE OF \_\_\_\_\_

: ss \_\_\_\_\_

COUNTY OF \_\_\_\_\_

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned officer, personally appeared \_\_\_\_\_, who acknowledged herself/himself to be the \_\_\_\_\_ of \_\_\_\_\_, and signed the foregoing instrument for the purposes therein contained as her/his free act and deed and the free act and deed of such entity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year aforesaid.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

STATE OF \_\_\_\_\_

: ss. \_\_\_\_\_

COUNTY OF \_\_\_\_\_

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned officer, personally appeared \_\_\_\_\_, who acknowledged herself/himself to be the \_\_\_\_\_ of \_\_\_\_\_, and signed the foregoing instrument for the purposes therein contained as her/his free act and deed and the free act and deed of such entity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year aforesaid.

\_\_\_\_\_  
Notary Public  
My Commission Expires:





**Michelle Greenberg**  
Of Counsel  
Email: mgreenberg@moritthock.com

April 1, 2016

**VIA FEDERAL EXPRESS**

Arden Schneider  
Integral Ad Science, Inc.  
95 Morton Street, 8<sup>th</sup> Floor  
New York, New York 10014

Re: First Amendment to Lease between Brickman 95 Morton LLC and Integral Ad Science, Inc.  
Premises: 95 Morton Street, 4<sup>th</sup> Floor, New York, NY

Dear Arden:

Enclosed for your records please find two (2) duplicate originals of the above referenced Amendment along with one (1) duplicate original of the SNDA. Should you have any questions, do not hesitate to call me.

Very truly yours,

/s/ Michelle Greenberg  
MICHELLE GREENBERG

MG:hs  
Enclosures

cc: Steven Weinberger, Esq. (via e-mail w/encls.)  
Paul Kotcher (via e-mail w/o ends.)

Brickman Associates/95 Morton / Integral Ad Science, Inc. - First Amendment/ltr.tenant mg 040116 M2786C.134

**FIRST AMENDMENT TO LEASE AGREEMENT**

**This FIRST AMENDMENT TO LEASE AGREEMENT** (the “Amendment”), dated as of the 25 day of March, 2016, by and between BRICKMAN 95 MORTON LLC, whose address is c/o Brickman Associates, 712 Fifth Avenue, New York, New York 10019 (hereinafter called “Landlord”), and INTEGRAL AD SCIENCE, INC., whose address is 95 Morton Street, 8<sup>th</sup> Floor, New York, New York 10014 (hereinafter called “Tenant”).

**WITNESSETH:**

**WHEREAS**, Landlord and Tenant entered into that certain Lease, dated as of July 22, 2014 (the “Lease”), for approximately 25,123 rentable square feet located on the entire eighth (8<sup>th</sup>) floor (the “Original Premises”) of the building (the “Building”) known as 95 Morton Street, New York, New York;

**WHEREAS**, pursuant to Section 91 of the Lease, Tenant has a one (1) time right of first offer with respect to either the entire third (3<sup>rd</sup>) floor or the entire fourth (4<sup>th</sup>) floor of the Building;

**WHEREAS**, Tenant has exercised its right of first offer with respect to the entire fourth (4<sup>th</sup>) floor of the Building (the “Fourth Floor Premises”); and

**WHEREAS**, the parties desire to amend the Lease to, among other things, add the Fourth Floor Premises to the premises demised under the Lease and to extend the term of the Lease, all as more fully set forth herein

**NOW THEREFORE**, intending to be legally bound, the parties hereto agree as follows:

1. Capitalized Terms. Capitalized terms not otherwise defined herein shall have the meaning given them in the Lease.
2. Demised Premises. Tenant has elected to exercise its right of first offer with respect to the Fourth Floor Premises. Accordingly, as of the Fourth Floor Commencement Date (as defined herein), the premises demised under the Lease (the “Demised Premises” or “demised premises”) shall be deemed to include both the Original Premises and the Fourth Floor Premises. The Fourth Floor Premises shall consist of approximately 25,141 rentable square feet, as more particularly depicted on the floor plan annexed hereto as **Exhibit A**.

3. Term.

(a) The term for the Fourth Floor Premises, and Tenant’s right to access and occupy the Fourth Floor Premises, shall commence on the date that is the later of (i) the date Landlord delivers to Tenant vacant possession of the Fourth Floor Premises with Landlord’s Fourth Floor Work (as hereinafter defined) substantially completed or (ii) April 1, 2016 (the

“Fourth Floor Commencement Date”). Landlord and Tenant agree to execute a commencement date agreement setting forth the Fourth Floor Commencement Date and the Fourth Floor Rent Commencement Date (as hereinafter defined) once such dates become ascertainable, provided, however, the failure to execute same shall in no way affect the validity of the Lease, as amended hereby. If Tenant, in good faith, disputes the date(s) set forth in such notice, Tenant shall notify Landlord within three (3) days following receipt of the commencement date agreement; if the parties are then unable to agree on such date(s), either party may submit the dispute to binding arbitration.

(b) The Lease is hereby amended to provide that the Expiration Date for the Demised Premises shall occur on the last day of the tenth (10<sup>th</sup>) Lease Year (as defined herein).

#### 4. Fixed Rent.

(a) Notwithstanding anything in the Lease to the contrary, from and after the Fourth Floor Rent Commencement Date, Fixed Rent for the Fourth Floor Premises shall be due and payable as follows:

<u>Period:</u>	<u>Annual Rent:</u>	<u>Monthly Rent:</u>
Lease Year 1	\$1,810,152.00	\$150,846.00
Lease Year 2	\$1,846,355.04	\$153,862.92
Lease Year 3	\$1,883,282.14	\$156,940.18
Lease Year 4	\$1,920,947.78	\$160,078.98
Lease Year 5	\$1,959,366.74	\$163,280.56
Lease Year 6	\$2,124,259.07	\$177,021.59
Lease Year 7	\$2,166,744.26	\$180,562.03
Lease Year 8	\$2,210,079.15	\$184,173.27
Lease Year 9	\$2,254,280.74	\$187,856.74
Lease Year 10	\$2,299,366.36	\$191,613.86

As used in this Amendment, “Lease Year” shall mean the twelve (12) month period commencing on the Fourth Floor Rent Commencement Date, except (i) to the extent the Fourth Floor Rent Commencement Date is the first day of a calendar month, the First Lease Year shall commence on the Fourth Floor Commencement Date, continue through the Fourth Floor Rent Commencement Date and conclude on the day before the first anniversary of the Fourth Floor Rent Commencement Date, and each Lease Year thereafter shall be the next consecutive twelve (12) calendar month period, and (ii) to the extent the Fourth Floor Rent Commencement Date is not the first day of a calendar month, the First Lease Year shall be the period commencing on the Fourth Floor Commencement Date, continuing through the Fourth Floor Rent Commencement Date and concluding on the last day of the calendar month in which the first anniversary of the Fourth Floor Rent Commencement Date occurs, and each Lease Year thereafter shall be the next consecutive twelve (12) calendar month period.

The first month's installment of Fixed Rent for the Fourth Floor Premises shall be due and payable on the Fourth Floor Rent Commencement Date.

There shall be no additional escalation on account of increases in operating expenses of the Building, it being expressly acknowledged by Landlord and Tenant that the two percent (2%) cumulative annual increases in Fixed Rent provided in Section 4(a) above are reflected in the rent numbers contained therein and are being paid by Tenant in lieu of any porter-wage, operating expense or similar escalations which would otherwise be due and payable by Tenant to Landlord.

(b) Notwithstanding anything to the contrary, for the period commencing on the day following the original expiration date for the Original Premises through the extended expiration date set forth in Section 3(b) of this Amendment, Tenant shall pay Fixed Rent for the Original Premises in an amount equal to the then current Fixed Rent payable for the Fourth Floor Premises, on a per square foot basis, subject to the annual increases in Fixed Rent. By way of example only, if the original term for the Original Premises expires on the last day of the tenth (10<sup>th</sup>) month of the ninth (9<sup>th</sup>) Lease Year of this amended Term, the Fixed Rent would be \$187,731.62 per month (i.e., \$89.67 multiplied by 25,123, divided by 12), payable for the eleventh (11<sup>th</sup>) and twelfth (12<sup>th</sup>) month of Lease Year 9, and then \$2,297,835.00 per year (\$191,486.25 per month) for Lease Year 10 (i.e., \$91.47 multiplied by 25,123). During such extended period, the Base Tax Year for the Original Premises shall be the calendar year 2018 (i.e., the blend of the New York City fiscal year 2017/2018 (commencing on July 1, 2017 and ending June 30, 2018) and the New York City fiscal year 2018/2019 (commencing on July 1, 2018 and ending June 30, 2019)).

(c) Notwithstanding anything to the contrary, provided the Lease, as amended hereby, is in full force and effect, Tenant's obligation to pay Fixed Rent for the Fourth Floor Premises shall not commence until the date that is ten (10) months after the Fourth Floor Commencement Date (such date the "Fourth Floor Rent Commencement Date" such period the "Fourth Floor Free Rent Period"). Notwithstanding the foregoing, during the Fourth Floor Free Rent Period, Tenant shall use and occupy the Fourth Floor Premises pursuant to all of the other terms, covenants, conditions and provisions of the Lease, as amended hereby, including, without limitation, the obligation to pay any and all Additional Rent due under the Lease, as amended hereby, including without limitation utility charges and escalations.

5. Real Estate Taxes. Real Estates Taxes for the Fourth Floor Premises shall otherwise be payable in accordance with Article 44 of the Lease, except that (i) the Base Tax Year for the Fourth Floor Premises shall be the calendar year 2018 (i.e., the blend of the New York City fiscal year 2017/2018 (commencing on July 1, 2017 and ending June 30, 2018) and the New York City fiscal year 2018/2019 (commencing on July 1, 2018 and ending June 30, 2019)), and (ii) Tenant's Proportionate Share with respect to the Fourth Floor Premises shall be 13.01%. Tenant's liability for Real Estate Taxes for the Fourth Floor Premises shall commence on January 1, 2019.

6. Landlord's Work.

(a) On the Fourth Floor Commencement Date, Landlord shall deliver the Fourth Floor Premises to Tenant in its "as-is" condition, subject to the following (collectively, "Landlord's Fourth Floor Work"): (i) demolish the existing installation and remove all debris; (ii) deliver sprinkler infrastructure, including existing combination standpipe sprinkler risers, temporary construction sprinkler look, and valve connections on the floor which is fully operational, code compliant and ready for Tenant work; (iii) all building systems shall be fully operational; (iv) Landlord shall provide Tenant with a clean ACP-5 for the Fourth Floor Premises; (v) connection points for Tenant's strobes and related Class E connection shall be available; and (vi) fireproof any exposed structural steel and fire stop as required by code. Landlord's Fourth Floor Work shall be performed by Landlord at its sole cost and expense, in a first class and good and workmanlike manner and in accordance with applicable laws. Landlord shall give Tenant five (5) business days' advance notice of the Fourth Floor Commencement Date.

(b) Notwithstanding anything to the contrary contained herein, in the event Landlord is delayed in completing Landlord's Fourth Floor Work due to delay caused by Tenant and Tenant does not cease such delay within two (2) days of receiving written notice of such delay (a "Tenant Delay"), the applicable Landlord's Fourth Floor Work shall be deemed substantially completed on the date it reasonably would have been substantially completed but for the Tenant Delay, and the Fourth Floor Commencement Date shall be the date it would have been but for the Tenant Delay. Tenant agrees that in the event its contractors and subcontractors are performing any Tenant's Fourth Floor Work simultaneously with the performance Landlord's Fourth Floor Work, Tenant will use commercially reasonable efforts to minimize interference with Landlord's performance of Landlord's Fourth Floor Work; should Tenant's Fourth Floor Work interfere with the performance of Landlord's Fourth Floor Work, the Fourth Floor Commencement Date shall be the date Landlord's Fourth Floor Work would have been completed but for the Tenant Delay.

(c) Landlord shall perform the following work at the Original Premises (collectively, the "Landlord's Original Premises Work"): (i) replace existing countertops, sinks and faucets in the bathrooms with Building standard finishes otherwise consistent with Class A Manhattan office buildings [PL9 for the men's room and F3 for the ladies' room]; (ii) replace existing rusted pipe in ceiling with a new copper pipe; and (iii) patch, paint and otherwise repair damage to the ceiling from recent leaks. Landlord's Original Premises Work shall be performed by Landlord at its sole cost and expense, in a first class and good and workmanlike manner and in accordance with applicable laws. Landlord will endeavor to complete Landlord's Original Premises Work prior to the Fourth Floor Commencement Date, provided, however, the completion of Landlord's Original Premises Work shall in no event affect the occurrence of or be a condition of the occurrence of the Fourth Floor Commencement Date. During the

performance of Landlord's Original Premises Work, Landlord agrees to use commercially reasonable efforts to minimize interference with Tenant's business operations at the Original Premises, including the performing same on an overtime basis, and agrees that there will be at least one (1) bathroom on the eighth (8<sup>th</sup>) floor available for Tenant's use during the performance of the bathroom renovations.

7. Improvement Allowance. Landlord will make available to Tenant an improvement allowance (the "Tenant Improvement Allowance") in an amount not to exceed the product of the rentable square feet for the Fourth Floor Premises multiplied by \$60.00 per square foot (i.e., for a total allowance of up to \$1,508,460.00), which shall (subject to the terms and conditions set forth herein) be expendable for the costs of the construction of Tenant's initial work and alterations to prepare the Fourth Floor Premises for the operation of its business therein (the "Initial Work"), including any amount paid to a project coordinator, construction consultant or similar consultant engaged by Tenant. The Tenant Improvement Allowance may not be used for moving expenses, office equipment or furniture. The Initial Work shall be performed in accordance with Articles 3 and 53 of the Original Lease, including without limitation, Landlord's right to review Tenant's Plans and Specifications prepared in connection with the Initial Work, and Tenant's obligation to reimburse Landlord upon demand for Landlord's reasonable, actual, third-party out-of-pocket costs incurred in connection with Landlord's review of Tenant's Plans and Specifications for the Initial Work. The Tenant Improvement Allowance shall be paid to the Tenant, not more frequently than once a month, within thirty (30) days after delivery to Landlord by Tenant of a requisition from Tenant, together with appropriate invoices evidencing such work and lien waivers from any contractors or subcontractors who perform work in connection with the requested disbursement of the Tenant Improvement Allowance. Ten percent (10%) of each requisition shall be retained by Landlord until Tenant delivers, or causes to be delivered to Landlord, a certificate of occupancy or a certificate of completion if required in connection with the Initial Work with respect to the Fourth Floor Premises together with final lien waivers from the general contractor. Such retained amount shall be released within thirty (30) days of delivery of the necessary certificates and final lien waiver.

8. Security Deposit. (a) Prior to the execution of this Amendment, Tenant has delivered to Landlord a Letter of Credit in an amount equal to \$1,810,152.00 (i.e., twelve (12) months of initial Fixed Rent for the Fourth Floor Premises at a rate equal to \$72.00 per square rentable foot of the Fourth Floor Premises), which Letter of Credit otherwise complies with the provisions of Article 76 of the Lease. Such Letter of Credit shall be held in addition to the Letter of Credit previously delivered by Tenant to Landlord upon execution of the Lease in an amount equal to \$1,607,872.00.

(b) (i) Provided the Tenant has not previously been in material monetary default more than one (1) time and/or is not then in material monetary default under any of the terms or provisions under the Lease, as amended hereby, beyond the expiration of any applicable notice and grace periods, and provided the Landlord is holding the full Security Deposit required pursuant to Section 8(a) above with respect to the Fourth Floor Premises, following thirty six (36) consecutive months of payment of Fixed Rent for the Fourth Floor Premises, the Security



Deposit then being held by Landlord shall be reduced, such that the amount of security remaining on deposit with Landlord with respect to the Fourth Floor Premises shall be equal to \$1,357,614.00. If the conditions of this Section 8(b)(i) have been satisfied and the Security Deposit reduced, Landlord shall return the then current Letter of Credit upon receipt of an amended Letter of Credit or replacement Letter of Credit in such reduced amount provided same is otherwise in accordance with the provisions of Article 76 of the Original Lease.

(ii) Provided the Tenant has not previously been in material monetary default more than one (1) time and/or is not then in material monetary default under any of the terms or provisions under the Lease, as amended hereby, beyond the expiration of any applicable notice and grace periods, and provided the Landlord is holding the full Security Deposit required pursuant to Section 8(b)(i) above with respect to the Fourth Floor Premises, following sixty (60) consecutive months of payment of Fixed Rent for the Fourth Floor Premises, the Security Deposit then being held by Landlord shall be reduced, such that the amount of security remaining on deposit with Landlord with respect to the Fourth Floor Premises shall be equal to \$803,935.98. If the conditions of this Section 8(b)(ii) have been satisfied and the Security Deposit reduced, Landlord shall return the then current Letter of Credit upon receipt of an amended Letter of Credit or replacement Letter of Credit in such reduced amount provided same is otherwise in accordance with the provisions of this Article 76 of the Original Lease.

(iii) Notwithstanding the foregoing, in the event Tenant has delivered an amended Letter of Credit covering the Security Deposit for both the Original Premises and the Fourth Floor Premises in the aggregate amount of \$3,418,024.00, the schedule for reduction of Security Deposit shall be as follows: (1) the aggregate Security Deposit shall be reduced by \$401,968.03 following thirty six (36) consecutive months of payment of Fixed Rent for the Original Premises, to \$3,016,055.97; (2) the aggregate Security Deposit shall be further reduced by \$452,538.00 following thirty six (36) consecutive months of payment of Fixed Rent for the Fourth Floor Premises, to \$2,563,517.97; (3) the aggregate Security Deposit shall be further reduced by \$401,968.03 following sixty (60) consecutive months of payment of Fixed Rent for the Original Premises, to \$2,161,549.98; and finally (4) the aggregate Security Deposit shall be further reduced by \$452,538.00 following sixty (60) consecutive months of payment of Fixed Rent for the Fourth Floor Premises to \$1,709,011.98.

#### 9. Sprinkler and Water.

(a) Supplementing Article 64 of the Lease, from and after the Fourth Floor Commencement Date, Tenant shall pay to Landlord, as Additional Rent, on the first day of each month, \$100.00 as Tenant's portion of the contract price for sprinkler supervisory service with respect to the Fourth Floor Premises.

(b) Supplementing Article 69 of the Lease, from and after the Fourth Floor Commencement Date, Tenant shall pay to Landlord, as Additional Rent, on the first day of each month, \$100.00 for the use of water supplied to the Building with respect to the Fourth Floor Premises.

10. Signage. Landlord, at its sole cost and expense, shall install Tenant's logo in the main lobby (*i.e.*: Morton Street lobby) of the Building, subject to the rights of existing tenants at the Building and compliance with law; the signage is depicted on, and the location of such signage is identified on, Exhibit B attached hereto (the "Lobby Signage"). Such Lobby Signage shall not be more than twelve inches (12") high or thirty inches (30") wide (the "Maximum Dimensions"); provided, however, if PayPal installs a sign larger than the Maximum Dimensions, Tenant shall have the right to install Lobby Signage larger than the Maximum Dimensions which is comparable to the size of the PayPal signage. In no event may Tenant's Lobby Signage be installed in a position higher than that of PayPal's signage. Landlord agrees to install the Lobby Signage within four (4) months after the date of this Amendment. Landlord, at its sole cost and expense, shall install Tenant's signage on the elevator lobby of the fourth floor of the Building.

11. Freight Elevator. During Tenant's move-in to the Fourth Floor Premises, Tenant shall be entitled to use the freight elevator for up to eight (8) hours of overtime use at no cost to Tenant.

12. Tenant's Termination Option. Article 90 of the Original Lease is hereby deleted in its entirety and replaced with the following:

(a) Notwithstanding the stated Expiration Date, Tenant shall have the one time right to terminate the Lease, as amended hereby, with respect to the entire Demised Premises (*i.e.*, Tenant must terminate the Lease, as amended hereby, with respect to both the Original Premises and the Fourth Floor Premises; in no event shall Tenant have the right to terminate the Lease, as amended hereby, for only the Original Premises or only the Fourth Floor Premises), effective as of January 31, 2021. Such termination shall be on written notice to Landlord given no later than January 31, 2020 (the "Termination Notice"), TIME BEING OF THE ESSENCE WITH RESPECT TO THE GIVING OF THE NOTICE. A failure to timely provide the Termination Notice shall constitute a waiver of Tenant's right to subsequently send such notice. The termination option shall be personal to Tenant named herein and its Permitted Transferees and shall not otherwise be transferrable by Tenant to any third party.

(b) The Termination Payment (as defined herein) shall be paid by Tenant as follows: fifty percent (50%) of the Termination Payment shall be paid simultaneous with the giving of the Termination Notice, and the remaining fifty percent (50%) of the Termination Payment shall be paid on or before the date set forth in the Termination Notice as the termination date. The "Termination Payment" shall be a fee, equal to \$2,915,021.00, representing the following unamortized costs of Landlord in connection with the Lease (as same may have been amended): the rent concession given under the Original Lease and this Amendment, the cost of Landlord's Work under the Original Lease, Landlord's Fourth Floor Work under this Amendment, and brokerage commissions due under the Original Lease and this Amendment. A failure to remit any installment of the Termination Payment shall result in the Termination Notice being deemed ineffective.

13. Subordination. Landlord agrees to amend the existing SNDA previously delivered to Tenant pursuant to Section 74(a) of the Original Lease to reflect the inclusion of the Fourth Floor Premises as part of the Demised Premises or to obtain a new SNDA substantially similar to the previously delivered SNDA which includes both the Original Premises and the Fourth Floor Premises in the form annexed hereto as Exhibit C. Landlord's failure to so deliver an amendment to, or amended, SNDA to Tenant shall in no way affect the self-operative subordination provisions of the Lease, as amended hereby.

14. Broker. Landlord and Tenant each represent and warrant to the other that they have not dealt with any broker or finder in connection with this Amendment other than Jones Lang LaSalle Brokerage, Inc. and Brickman Associates (collectively, the "Broker"). Tenant agrees to indemnify and hold Landlord harmless from and against any claims, costs, expenses (including court costs and reasonable legal fees) and other liabilities incurred by Landlord by reason of any claim or action for a commission or other compensation by any broker or finder claiming to have dealt with Tenant with respect to this Amendment other than Broker. Landlord agrees to indemnify and hold Tenant harmless from and against any claims, costs, expenses (including court costs and reasonable legal fees) and other liabilities incurred by Tenant by reason of any claim or action for a commission or other compensation by any broker or finder claiming to have dealt with Landlord with respect to this Amendment (including Broker). Landlord agrees to pay the Broker a commission pursuant to separate agreements previously executed in connection with the Lease. The provisions of this Section 14 shall survive the expiration or earlier termination of the Lease, as amended hereby.

15. No Modification. Except as modified hereunder, all other terms of the Lease are hereby ratified and confirmed.

16. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

17. Paragraph Headings. Paragraph headings are for convenience of reference only and in no way define, describe or limit the scope or intent of this Amendment or any of the provisions hereof.

18. Execution by Landlord. This Amendment shall not be binding upon on Landlord unless and until a fully executed copy of this Amendment has been executed by both Landlord and Tenant and delivered to Tenant by Landlord.

19. Counterparts. This Amendment may be signed in counterparts.

[THIS PAGE INTENTIONALLY ENDS HERE]

IN WITNESS WHEREOF, this Amendment has been executed as of the date and year first above written.

LANDLORD:

BRICKMAN 95 MORTON LLC

By: /s/ Bruce S. Brickman

Name: Bruce S. Brickman

Title: Authorized Signatory

TENANT:

INTEGRAL AD SCIENCE, INC.

By: /s/ Arden Schneider

Name: ARDEN SCHNEIDER

Title: SVP HR & FACILITIES

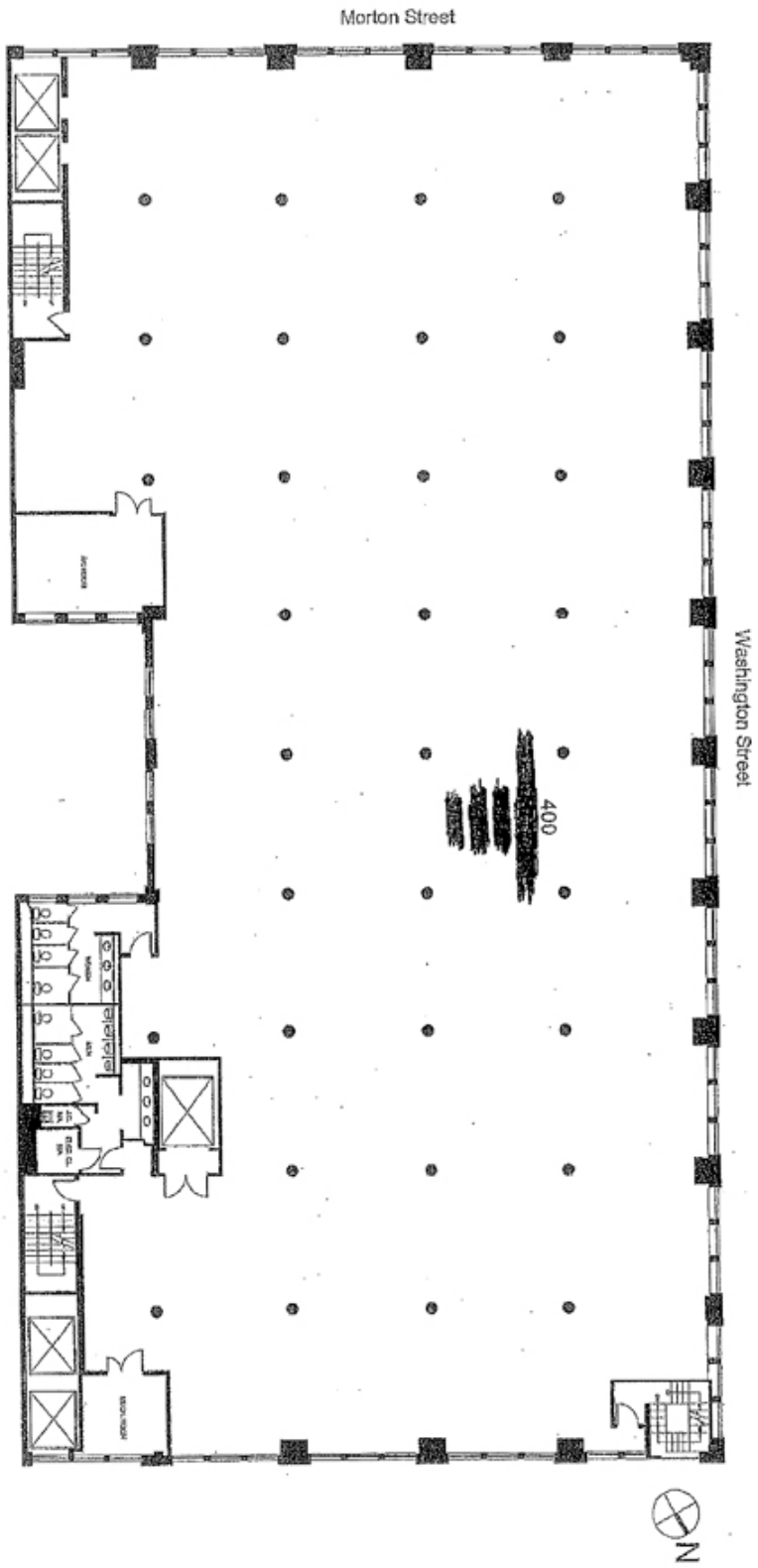
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**EXHIBIT A**

**FOURTH FLOOR PREMISES**

Brickman Associates/95 Morton / Integral Ad Science, Inc. - First Amendment/First Amendment to Lease v7

95 Morton Street - Floor 4



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**EXHIBIT B**

**LOBBY SIGNAGE**

Brickman Associates/95 Morton / Integral Ad Science, Inc. - First Amendment/First Amendment to Lease v7

**EXHIBIT C**

**FORM OF SNDA**

**SUBORDINATION, NON-DISTURBANCE AND ATTORNMENMENT AGREEMENT**

Tenant Name: \_\_\_\_\_  
Trade Name: \_\_\_\_\_  
Room/Unit No.: \_\_\_\_\_

THIS AGREEMENT is dated the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, and is made by and among CONNECTICUT GENERAL LIFE INSURANCE COMPANY, having an address c/o CIGNA Investments, Inc., Wilde Building, 900 Cottage Grove Road, Hartford, Connecticut 06152, Attn: Debt Asset Management, A4-CRI ("Mortgagee") \_\_\_\_\_, d/b/a \_\_\_\_\_, having an address of \_\_\_\_\_ ("Tenant"), and \_\_\_\_\_, having an address of \_\_\_\_\_ ("Landlord").

**RECITALS:**

A. Tenant has entered into a lease ("Lease") dated \_\_\_\_\_ with \_\_\_\_\_ as lessor ("Landlord"), covering the premises known as \_\_\_\_\_ (the "Premises") within the property known as \_\_\_\_\_, more particularly described as shown on Exhibit A, attached hereto (the "Real Property").

B. Mortgagee has agreed to make or has made a mortgage loan in the amount of \_\_\_\_\_ to Landlord, secured by a mortgage of the Real Property (the "Mortgage"), and the parties desire to set forth their agreement herein.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The Lease and all extensions, renewals, replacements or modifications thereof are and shall be subject and subordinate to the Mortgage and all terms and conditions thereof insofar as it affects the Real Property of which the Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof, to the full extent of amounts secured thereby and interest thereon.



2. Tenant shall attorn to and recognize any purchaser at a foreclosure sale under the Mortgage, any transferee who acquires the Premises by deed in lieu of foreclosure, and the successors and assigns of such purchaser(s), as its landlord for the unexpired balance (and any extensions, if exercised) of the term of the Lease on the same terms and conditions set forth in the Lease.

3. If it becomes necessary to foreclose the Mortgage, Mortgagee shall neither terminate the Lease nor join Tenant in summary or foreclosure proceedings for the purpose of terminating the Lease so long as Tenant is not in default under any of the terms, covenants, or conditions of the Lease beyond any applicable notice and cure periods.

4. If Mortgagee succeeds to the interest of Landlord under the Lease, Mortgagee shall not be: (a) liable for the return of any security deposit unless such deposit has been delivered to Mortgagee by Landlord or is in an escrow fund available to Mortgagee, (b) bound by any rent or additional rent that Tenant might have paid for more than the current month to any prior landlord (including Landlord), (c) bound by any amendment, modification, or termination of the Lease made without Mortgagee's prior written consent (which consent shall not be unreasonably withheld or delayed), or (d) personally liable under the Lease, Mortgagee's liability thereunder being limited to its interest in the Real Property.

5. This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their successors and assigns.

6. Tenant shall give Mortgagee, by commercial overnight delivery service, a copy of any notice of default served on Landlord at the same time such notice is sent to the Landlord, addressed to Mortgagee at Mortgagee's address set forth above or at such other address as to which Tenant has been notified in writing. Mortgagee shall have the right, but not the obligation, to cure such default within the time period specified in the Lease.

7. Landlord has agreed under the Mortgage and other loan documents that rentals payable under the Lease shall be paid directly by Tenant to Mortgagee upon default by Landlord under the Mortgage. After receipt of notice from Mortgagee to Tenant, at the address set forth above or at such other address as to which Mortgagee has been notified in writing, that rentals under the Lease should be paid to Mortgagee, Tenant shall pay to Mortgagee, or at the direction of Mortgagee, all monies due or to become due to Landlord under the Lease. Tenant shall have no responsibility to ascertain whether such demand by Mortgagee is permitted under the Mortgage, or to inquire into the existence of a default. Landlord hereby waives any right, claim, or demand it may now or hereafter have against Tenant by reason of such payment to Mortgagee, and any such payment shall discharge the obligations of Tenant to make such payment to Landlord.

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

WITNESSES:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

MORTGAGEE:

CONNECTICUT GENERAL LIFE INSURANCE COMPANY

By: CIGNA Investments, Inc., its authorized representative

By: \_\_\_\_\_

Its: \_\_\_\_\_

TENANT:

\_\_\_\_\_  
By: \_\_\_\_\_

Its: \_\_\_\_\_

LANDLORD:

\_\_\_\_\_  
By: /s/ Bruce S. Brickman

\_\_\_\_\_  
Authorized Signatory

Its: \_\_\_\_\_

STATE OF CONNECTICUT

ss. Bloomfield

COUNTY OF HARTFORD

On this, the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, the undersigned officer, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of CIGNA Investments, Inc., authorized representative for Connecticut General Life Insurance Company, and signed the foregoing instrument for the purposes therein contained as his free act and deed and the free act and deed of such entity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year aforesaid.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

STATE OF \_\_\_\_\_

: ss. \_\_\_\_\_

COUNTY OF \_\_\_\_\_

On this, the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, the undersigned officer, personally appeared \_\_\_\_\_, who acknowledged herself/himself to be the \_\_\_\_\_ of \_\_\_\_\_, and signed the foregoing instrument for the purposes therein contained as her/his free act and deed and the free act and deed of such entity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year aforesaid.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

STATE OF New York

: ss. \_\_\_\_\_

COUNTY OF New York

On this, the 23<sup>rd</sup> day of March, 2016, before me, the undersigned officer, personally appeared Bruce S. Brickman, who acknowledged herself/himself to be the Authorized Signatory of Brickman 95 Morton LLC, and signed the foregoing instrument for the purposes therein contained as her/his free act and deed and the free act and deed of such entity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year aforesaid.

/s/ Jordan M. Plessner  
\_\_\_\_\_  
Notary Public  
My Commission Expires:

JORDAN M. PLESSER  
Notary Public, State of New York  
No. 02PL6315411  
Qualified in Nassau County  
Commission Expires November 24, 2018

[Legal description to be attached]

Brickman Associates/95 Morton / Integral Ad Science, Inc. - First Amendment/First Amendment to Lease v7

**SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT**

Tenant Name: INTEGRAL AD SCIENCE, INC.  
Trade Name: INTEGRAL AD SCIENCE, INC.  
Room/Unit No.: Entire 4<sup>th</sup> Floor and Entire 8<sup>th</sup> Floor

THIS AGREEMENT is dated the 25<sup>th</sup> day of March, 2016, and is made by and among CONNECTICUT GENERAL LIFE INSURANCE COMPANY, having an address c/o CIGNA Investments, Inc., Wilde Building, 900 Cottage Grove Road, Hartford, Connecticut 06152, Attn: Debt Asset Management, A4-CRI ("Mortgagee"), INTEGRAL AD SCIENCE, INC., having an address of 95 Morton Street, 8<sup>th</sup> Floor, New York, New York 10014 ("Tenant"), and BRICKMAN 95 MORTON LLC, having an address of c/o Brickman Associates, 712 Fifth Avenue, New York, New York 10019 ("Landlord").

**RECITALS:**

A. Tenant has entered into a Lease dated as of July 22, 2014 as amended by that First Amendment to Lease Agreement dated March 25<sup>th</sup>, 2016 (as amended, "Lease") with Landlord, covering the premises known as the entire 8<sup>th</sup> floor and the entire 4<sup>th</sup> floor (the "Premises") within the property known as 95 Morton Street, New York, New York more particularly described as shown on Exhibit A, attached hereto (the "Real Property").

B. Mortgagee has agreed to make or has made a mortgage loan in the amount of \$63,800,000 to Landlord, secured by a mortgage of the Real Property (the "Mortgage"), and the parties desire to set forth their agreement herein.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The Lease and all extensions, renewals, replacements or modifications thereof are and shall be subject and subordinate to the Mortgage and all terms and conditions thereof insofar as it affects the Real Property of which the Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof, to the full extent of amounts secured thereby and interest thereon.

2. Tenant shall attorn to and recognize any purchaser at a foreclosure sale under the Mortgage, any transferee who acquires the Premises by deed in lieu of foreclosure, and the successors and assigns of such purchaser(s), as its landlord for the unexpired balance (and any extensions, if exercised) of the term of the Lease on the same terms and conditions set forth in the Lease.

Brickman Associates/95 Morton / Integral Ad Science, Inc. - First Amendment/SNDA\_execution

3. If it becomes necessary to foreclose the Mortgage, Mortgagee shall neither terminate the Lease nor join Tenant in summary or foreclosure proceedings for the purpose of terminating the Lease so long as Tenant is not in default under any of the terms, covenants, or conditions of the Lease beyond any applicable notice and cure periods.

4. If Mortgagee succeeds to the interest of Landlord under the Lease, Mortgagee shall not be: (a) liable for the return of any security deposit unless such deposit has been delivered to Mortgagee by Landlord or is in an escrow fund available to Mortgagee, (b) bound by any rent or additional rent that Tenant might have paid for more than the current month to any prior landlord (including Landlord), (c) bound by any amendment, modification, or termination of the Lease made without Mortgagee's prior written consent (which consent shall not be unreasonably withheld or delayed), or (d) personally liable under the Lease, Mortgagee's liability thereunder being limited to its interest in the Real Property.

5. This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their successors and assigns.

6. Tenant shall give Mortgagee, by commercial overnight delivery service, a copy of any notice of default served on Landlord at the same time such notice is sent to the Landlord, addressed to Mortgagee at Mortgagee's address set forth above or at such other address as to which Tenant has been notified in writing. Mortgagee shall have the right, but not the obligation, to cure such default within the time period specified in the Lease.

7. Landlord has agreed under the Mortgage and other loan documents that rentals payable under the Lease shall be paid directly by Tenant to Mortgagee upon default by Landlord under the Mortgage. After receipt of notice from Mortgagee to Tenant, at the address set forth above or at such other address as to which Mortgagee has been notified in writing, that rentals under the Lease should be paid to Mortgagee, Tenant shall pay to Mortgagee, or at the direction of Mortgagee, all monies due or to become due to Landlord under the Lease. Tenant shall have no responsibility to ascertain whether such demand by Mortgagee is permitted under the Mortgage, or to inquire into the existence of a default. Landlord hereby waives any right, claim, or demand it may now or hereafter have against Tenant by reason of such payment to Mortgagee, and any such payment shall discharge the obligations of Tenant to make such payment to Landlord.

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IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

WITNESSES:

/s/ Christopher J. Edsall  
Name: Christopher J. Edsall

/s/ William H Bortol  
Name: William H Bortol

/s/ Katie Hiatt  
Name: Katie Hiatt

/s/ Jill Neff  
Name: Jill Neff

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

MORTGAGEE:

CONNECTICUT GENERAL LIFE INSURANCE COMPANY

By: CIGNA Investments, Inc., its authorized representative

By: /s/ Ronald T. McKenna Jr.  
Ronald T. McKenna Jr.

Its: Vice President

TENANT:

INTEGRAL AD SCIENCE, INC.

By: /s/ Arden Schneider

Its: SVP, HR & Facilities

LANDLORD:

BRICKMAN 95 MORTON LLC

By: /s/ Bruce S. Brickman  
Bruce S. Brickman

Its: Authorized Signatory



STATE OF CONNECTICUT

ss. Bloomfield

COUNTY OF HARTFORD

On this, the 28<sup>th</sup> day of March, 2016, before me, the undersigned officer, personally appeared Ronald J. McKenna, who acknowledged himself to be the Vice President of CIGNA Investments, Inc., authorized representative for Connecticut General Life Insurance Company, and signed the foregoing instrument for the purposes therein contained as his free act and deed and the free act and deed of such entity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year aforesaid.

/s/ Kathleen M. Cormier

Notary Public Kathleen M. Cormier

My Commission Expires: 06/30/2019

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STATE OF NEW YORK )

) ss.:

COUNTY OF NEW YORK )

On the 22 day of March, in the year 2016, before me, the undersigned, personally appeared Arden Schneider, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

/s/ Micah D Nessian

Notary Public

MICAH D NESSAN  
Notary Public State of New York  
No. 02NE6180830  
Qualified in New York County  
Commission Expires March 30, 2016

STATE OF NEW YORK )

) ss.:

COUNTY OF NEW YORK )

On the 23<sup>rd</sup> day of March, in the year 2016, before me, the undersigned, personally appeared Bruce S. Brickman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

/s/ Jordan M. Plessner

Notary Public

JORDAN M. PLESSER  
Notary Public, State of New York  
No. 02PL6315411  
Qualified in Nassau County  
Commission Expires November 24, 2018

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Exhibit A

[Legal Description]

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**SUBSIDIARIES OF THE REGISTRANT**

Name

Integral Ad Science, Inc.  
Integral Ad Science UK Ltd.

Jurisdiction of Formation

Delaware  
United Kingdom

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-1 of Integral Ad Science Holding LLC of our report dated March 31, 2021 relating to the financial statements of Integral Ad Science Holding LLC (formerly known as Kavacha Topco, LLC), which appears in this Registration Statement. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP  
New York, New York  
June 4, 2021

F R O S T  S U L L I V A N

Date: April 20, 2021

Integral Ad Science  
95 Morton Street, 8<sup>th</sup> Floor  
New York, NY 10014

Dear Sirs or Madams:

We, Frost & Sullivan of 3211 Scott Blvd, #203, Santa Clara, California, 95054, hereby consent to the filing with the Securities and Exchange Commission of a Registration Statement on the Form 10, and any amendments thereto, of Integral Ad Science, and any related prospectuses of (i) our name and all references thereto, (ii) all references to our preparation of an independent overview of the “Global Total Addressable Market (TAM) Assessment for the Digital Ad Verification/ Adjacent Markets” (the “Industry Report”), and (iii) the statement(s) set out in the Schedule hereto. We also hereby consent to the filing of this letter as an exhibit to the S-1.

We further consent to the reference to our firm, under the caption “Market Opportunity” in the S-1, as acting in the capacity of an expert in relation to the preparation of the Industry Report and the matters discussed therein.

Regards,

/s/ Debbie Wong

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Name: Debbie Wong  
Designation: Vice President  
For and on behalf of  
Frost & Sullivan

## SCHEDULE

- Based on a March 2021 analysis by Frost & Sullivan, we estimate the global market opportunity for our ad verification solutions to be \$9.5 billion and expect it grow at a 16.2% CAGR from 2021 to 2025.
- Based on a March 2021 analysis by Frost & Sullivan, we estimate the global market opportunity of ad measurement and effectiveness solutions to be \$6.3 billion and expect it to grow at a 20.5% CAGR from 2021 to 2025.
- Our statement that we are a leading digital advertising verification company is based on an independent third party market study by Frost & Sullivan we commissioned. The study shows we are a leader in global market share by revenue, including leading in international markets such as EMEA and APAC by revenues in those regions, respectively.

The undersigned hereby consents to being named in the registration statement on Form S-1 and in all subsequent amendments and post-effective amendments or supplements thereto and in any registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the "Registration Statement") of Integral Ad Science Holding Corp. (f/k/a Integral Ad Science Holding LLC), a Delaware corporation (the "Company") as an individual to become a director of the Company and to the inclusion of her biographical and other information in the Registration Statement. The undersigned also hereby consents to being named in any registration statement on Form S-8 filed by the Company that incorporates by reference the prospectus forming part of the Registration Statement.

*[The remainder of this page intentionally left blank; signature page follows.]*

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In witness whereof, this consent is signed and dated as of the date set forth below.

Date: June 4, 2021

/s/ Christina Lema

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Christina Lema