UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2017

OR

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

For the transition period from _____ to _____ .

Commission file number: 000-31659

INSEEGO CORP.
(Exact name of registrant as specified in its charter)

Delaware	**81-3377646**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
9605 Scranton Road, Suite 300 San Diego, California	**92121**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's telephone number, including area code: (858) 812-3400

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). x Yes ☐ No

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

Large accelerated filer	☐	Accelerated filer	x
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The number of shares of the registrant's common stock outstanding as of November 2, 2017 was 58,284,508.

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PART I—FINANCIAL INFORMATION

Item 1. ***Financial Statements.***

INSEEGO CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except par value and share data)

	September 30, 2017	December 31, 2016
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 19,587	$ 9,894
Restricted cash	411	—
Accounts receivable, net of allowance for doubtful accounts of $1,931 and $1,660, respectively	21,009	22,203
Inventories	20,964	31,142
Prepaid expenses and other	10,680	5,208
Total current assets	72,651	68,447
Property, plant and equipment, net of accumulated depreciation of $27,567 and $25,032, respectively	6,899	8,392
Rental assets, net of accumulated depreciation of $7,685 and $4,112, respectively	6,816	7,003
Intangible assets, net of accumulated amortization of $22,793 and $17,996, respectively	37,617	40,283
Goodwill	34,846	34,428
Other assets	72	163
Total assets	$ 158,901	$ 158,716
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 30,806	$ 31,242
Accrued expenses and other current liabilities	32,501	27,897
DigiCore bank facilities	2,952	3,238
Total current liabilities	66,259	62,377
Long-term liabilities:		
Convertible senior notes, net	82,703	90,908
Term loan, net	43,682	—
Deferred tax liabilities, net	4,449	4,439
Other long-term liabilities	10,688	18,719
Total liabilities	207,781	176,443
Commitments and Contingencies		
Stockholders' deficit:		
Preferred stock, par value $0.001; 2,000,000 shares authorized and none outstanding	—	—
Common stock, par value $0.001; 150,000,000 shares authorized, 58,259,353 and 54,372,080 shares issued and outstanding, respectively	58	54
Additional paid-in capital	518,338	507,616
Accumulated other comprehensive loss	(1,361)	(1,409)
Accumulated deficit	(565,937)	(524,024)
Total stockholders' deficit attributable to Inseego Corp.	(48,902)	(17,763)
Noncontrolling interests	22	36
Total stockholders' deficit	(48,880)	(17,727)
Total liabilities and stockholders' deficit	$ 158,901	$ 158,716

See accompanying notes to unaudited condensed consolidated financial statements.

INSEEGO CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net revenues:				
Hardware	$ 42,810	$ 46,096	$ 129,221	$ 149,402
SaaS, software and services	14,651	14,785	43,542	41,234
Total net revenues	57,461	60,881	172,763	190,636
Cost of net revenues:				
Hardware	37,277	32,768	108,097	109,395
SaaS, software and services	3,730	5,189	13,390	13,896
Impairment of abandoned product line, net of recoveries	82	—	1,489	—
Total cost of net revenues	41,089	37,957	122,976	123,291
Gross profit	16,372	22,924	49,787	67,345
Operating costs and expenses:				
Research and development	5,099	7,942	16,788	24,248
Sales and marketing	6,181	7,953	20,340	24,062
General and administrative	7,118	14,551	27,249	34,744
Amortization of purchased intangible assets	905	1,008	2,714	2,912
Impairment of purchased intangible assets	—	2,594	—	2,594
Restructuring charges, net of recoveries	3,446	794	5,698	1,685
Total operating costs and expenses	22,749	34,842	72,789	90,245
Operating loss	(6,377)	(11,918)	(23,002)	(22,900)
Other income (expense):				
Interest expense, net	(5,229)	(3,877)	(14,266)	(11,712)
Other income (expense), net	(1,780)	(3,560)	(3,408)	986
Loss before income taxes	(13,386)	(19,355)	(40,676)	(33,626)
Income tax provision (benefit)	409	(799)	1,270	(478)
Net loss	(13,795)	(18,556)	(41,946)	(33,148)
Less: Net loss (income) attributable to noncontrolling interests	6	(11)	33	(24)
Net loss attributable to Inseego Corp.	$ (13,789)	$ (18,567)	$ (41,913)	$ (33,172)
Per share data:				
Net loss per share:				
Basic and diluted	$ (0.23)	$ (0.34)	$ (0.72)	$ (0.62)
Weighted-average shares used in computation of net loss per share:				
Basic and diluted	59,004,520	53,876,795	58,157,171	53,584,410

See accompanying notes to unaudited condensed consolidated financial statements.

INSEEGO CORP.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net loss	$ (13,795)	$ (18,556)	$ (41,946)	$ (33,148)
Foreign currency translation adjustment	(3,224)	4,044	48	6,639
Total comprehensive loss	$ (17,019)	$ (14,512)	$ (41,898)	$ (26,509)

See accompanying notes to unaudited condensed consolidated financial statements.

INSEEGO CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2017	2016
Cash flows from operating activities:		
Net loss	$ (41,946)	$ (33,148)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	11,098	10,836
Amortization of acquisition-related inventory step-up	—	1,829
Provision for bad debts, net of recoveries	986	96
Loss on impairment of abandoned product line, net of recoveries	1,489	—
Provision for excess and obsolete inventory	876	2,580
Share-based compensation expense	2,942	3,437
Amortization of debt discount and debt issuance costs	7,840	6,335
Loss on extinguishment of debt	2,035	—
Loss on disposal of assets, net of gain on divestiture and sale of other assets	648	(4,290)
Loss on impairment of purchased intangible assets	—	2,594
Deferred income taxes	9	(735)
Non-cash equity earn-out compensation expense	—	2,109
Unrealized foreign currency transaction loss (gain), net	(794)	3,038
Other	(309)	183
Changes in assets and liabilities, net of effects from divestiture:		
Restricted cash	(411)	—
Accounts receivable	614	9,881
Inventories	3,637	3,757
Prepaid expenses and other assets	(4,071)	(6,186)
Accounts payable	1,968	(7,077)
Accrued expenses, income taxes, and other	(1,813)	4,812
Net cash provided by (used in) operating activities	(15,202)	51
Cash flows from investing activities:		
Installment payments related to past acquisitions	—	(3,750)
Purchases of property, plant and equipment	(1,737)	(875)
Proceeds from the sale of property, plant and equipment	182	392
Proceeds from the sale of divested assets	—	11,300
Proceeds from the sale of short-term investments	—	1,210
Purchases of intangible assets and additions to capitalized software development costs	(2,256)	(2,092)
Net cash provided by (used in) investing activities	(3,811)	6,185
Cash flows from financing activities:		
Proceeds from term loans	64,917	—
Payment of issuance costs related to term loans	(905)	—
Repayment of term loan	(20,000)	—
Repurchase of convertible senior notes	(11,900)	—
Net repayment of DigiCore bank and overdraft facilities	(620)	(965)
Principal payments under capital lease obligations	(613)	(722)
Principal payments on mortgage bond	(216)	(175)
Taxes paid on vested restricted stock units, net of proceeds from stock option exercises and employee stock purchase plan	(793)	368
Net cash provided by (used in) financing activities	29,870	(1,494)
Effect of exchange rates on cash and cash equivalents	(1,164)	(147)
Net increase in cash and cash equivalents	9,693	4,595
Cash and cash equivalents, beginning of period	9,894	12,570
Cash and cash equivalents, end of period	$ 19,587	$ 17,165
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	$ 4,571	$ 3,712
Income taxes	$ 136	$ 92
Supplemental disclosures of non-cash activities:		
Transfer of inventories to rental assets	$ 4,225	$ 3,055
Issuance of common stock under amended earn-out agreement	$ 2,638	$ —

Additional debt discount on convertible senior notes	$	3,600	$	—
Term loan debt discount issued in common stock	$	2,340	$	—

See accompanying notes to unaudited condensed consolidated financial statements.

1. Basis of Presentation

The information contained herein has been prepared by Inseego Corp. (the "Company") in accordance with the rules of the Securities and Exchange Commission (the "SEC"). The information at September 30, 2017 and the results of the Company's operations for the three and nine months ended September 30, 2017 and 2016 are unaudited. The condensed consolidated financial statements reflect all adjustments, consisting of only normal recurring accruals, which are, in the opinion of management, necessary for a fair statement of the results of the interim periods presented. These condensed consolidated financial statements and notes hereto should be read in conjunction with the audited financial statements from which they were derived and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2016. Except as set forth below, the accounting policies used in preparing these unaudited condensed consolidated financial statements are the same as those described in the Company's Annual Report on Form 10-K for the year ended December 31, 2016. The results of operations for the interim periods presented are not necessarily indicative of results to be expected for any other interim period or for the year as a whole.

For the three months ended September 30, 2017 and 2016, the Company incurred a net loss of $13.8 million and $18.6 million, respectively. The Company has a history of operating and net losses and overall usage of cash from operating and investing activities. In June 2017, the Company terminated the proposed sale of its MiFi Business (as defined below) due to delays and uncertainty in securing approval of the sale from the Committee on Foreign Investment in the United States ("CFIUS") (see Note 2, *Acquisitions and Divestitures*).

During the nine months ended September 30, 2017, the Company commenced certain restructuring initiatives aimed at significantly reducing the Company's cost of revenues and operating expenses in an effort to increase operating cash flows to eventually be sufficient to offset debt service costs and cash flows from investing activities. During the three months ended September 30, 2017, the Company refinanced its prior credit agreement which was due on May 8, 2018 with a new term loan that matures on August 23, 2020. The Company's management believes that its cash and cash equivalents, together with anticipated cash flows from operations, will be sufficient to meet its working capital needs for the next twelve months following the filing date of this report. The Company's ability to transition to attaining profitable operations is dependent upon achieving a level and mix of revenues adequate to support its declining cost structure. If events or circumstances occur such that the Company does not meet its operating plan as expected, or if the Company becomes obligated to pay unforeseen expenditures as a result of ongoing litigation, the Company may be required to reduce planned research and development activities, incur additional restructuring charges or reduce other operating expenses which could have an adverse impact on its ability to achieve its intended business objectives.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Segment Information

Management has determined that the Company has one reportable segment. The Chief Executive Officer, who is also the Chief Operating Decision Maker, does not manage any part of the Company separately, and the allocation of resources and assessment of performance is based solely on the Company's consolidated operations and operating results.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent liabilities. Actual results could differ materially from these estimates. Significant estimates include allowance for doubtful accounts receivable, provision for excess and obsolete inventory, valuation of intangible and long-lived assets, valuation of goodwill, valuation of debt obligations, royalty costs, accruals relating to litigation and restructuring, provision for warranty costs, income taxes and share-based compensation expense.

New Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (the "FASB"), which are adopted by the Company as of the specified date. Unless otherwise discussed, management believes the impact of recently issued standards, some of which are not yet effective, will not have a material impact on the Company's consolidated financial statements upon adoption.

In May 2017, the FASB issued Accounting Standards Update ("ASU") 2017-09, *Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting*, which amends the scope of modification accounting for share-based payment arrangements and provides guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting. This guidance is effective for interim and annual periods beginning after December 15, 2017. Early adoption is permitted. The Company does not expect this guidance to have a material impact on the Company's consolidated financial statements upon adoption.

In January 2017, the FASB issued ASU 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*, which simplifies the measurement of goodwill by eliminating the second step from the goodwill impairment test, which requires the comparison of the implied fair value of goodwill with the current carrying amount of goodwill. Instead, under the amendments in this guidance, an entity shall perform a goodwill impairment test by comparing the fair value of each reporting unit with its carrying amount and an impairment charge is to be recorded for the amount, if any, in which the carrying value exceeds the reporting unit's fair value. This guidance is effective prospectively for annual periods beginning after December 15, 2019. Early adoption is permitted. The Company is currently assessing the impact of this guidance.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*, which clarifies how companies present and classify certain cash receipts and cash payments in the statement of cash flows. This guidance is effective for interim and annual periods beginning after December 15, 2017. Early adoption is permitted. The Company does not expect this guidance to have a material impact on the Company's consolidated financial statements upon adoption.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which requires measurement and recognition of expected credit losses for financial assets held. This guidance is effective for interim and annual periods beginning after December 15, 2019. Early adoption is permitted. The Company is currently assessing the impact of this guidance.

In March 2016, the FASB issued ASU 2016-09, *Improvements to Employee Share-Based Payment Accounting*, which affects entities that issue share-based payment awards to their employees. The guidance is designed to identify areas for simplification involving several aspects of accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, an option to recognize gross stock compensation expense with actual forfeitures recognized as they occur, as well as certain classifications on the statement of cash flows. The Company implemented this guidance during the first quarter of 2017. This guidance did not have a material impact on the Company's consolidated financial statements upon adoption.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which establishes the principles to report transparent and economically neutral information about the assets and liabilities that arise from leases. This guidance results in the Company providing a more faithful representation of the rights and obligations arising from operating and capital leases by requiring lessees to recognize the lease assets and lease liabilities that arise from leases in the statement of financial position and to disclose qualitative and quantitative information about lease transactions, such as information about variable lease payments and options to renew and terminate leases. This guidance is effective prospectively for interim and annual periods beginning after December 15, 2018. Early adoption is permitted. The Company is currently assessing the impact of this guidance.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), which provides guidance for revenue recognition. The new guidance will require revenue recognized to represent the transfer of promised goods or services to customers in an amount that reflects the consideration the company expects to receive in exchange for those goods or services. The guidance also requires new, expanded disclosures regarding revenue recognition. In August 2015, the FASB issued ASU 2015-14, *Revenue from Contracts with Customers: Deferral of Effective Date*, which deferred the effective date of adoption of ASU 2014-09 to interim and annual reporting periods beginning after December 15, 2017. Early adoption is permitted. In April 2016, the FASB issued ASU 2016-10, *Revenue from Contracts with Customers (Topic 606):*

Identifying Performance Obligations and Licensing, which clarifies aspects of ASU 2014-09 pertaining to the identification of performance obligations and the licensing implementation guidance, while retaining the related principles for those areas. There are two adoption methods available for implementation of this guidance. Under one method, the guidance is applied retrospectively to contracts for each reporting period presented, subject to allowable practical expedients. Under the other method, the guidance is applied only to the most current period presented, recognizing the cumulative effect of the change as an adjustment to the beginning balance of retained earnings, and also requires additional disclosures comparing the results to the previous guidance.

The Company has established an implementation team, including the utilization of a revenue consultant, to assist with the assessment of the impact of the new guidance on its operations, consolidated financial statements and related disclosures. The Company is reviewing each of its revenue streams that may be impacted by the adoption of this guidance, including the determination of whether the performance obligations will change as compared to current generally accepted accounting principles. The Company is also assessing if sales commissions will need to be capitalized upon adoption of the new guidance and evaluating the proper period to amortize these capitalized costs. The Company intends to complete the evaluation and implementation process during the fourth quarter of 2017 and adopt the new standard on January 1, 2018 using the modified retrospective method.

2. Acquisitions and Divestitures

Acquisitions

DigiCore Holdings Limited (DBA Ctrack)

On June 18, 2015, the Company entered into a transaction implementation agreement (the "TIA") with DigiCore Holdings Limited ("DigiCore" or "Ctrack"). Pursuant to the terms of the TIA, the Company acquired 100% of the issued and outstanding ordinary shares of DigiCore (with the exception of certain excluded shares, including treasury shares) for 4.40 South African Rand per ordinary share outstanding on October 5, 2015. Upon consummation of the acquisition, DigiCore became an indirect wholly-owned subsidiary of the Company.

R.E.R. Enterprises, Inc.

On March 27, 2015, the Company entered into a merger agreement ("RER Merger Agreement") with R.E.R. Enterprises, Inc. ("RER") to acquire all of the issued and outstanding shares of RER and its wholly-owned subsidiary and principal operating asset, Feeney Wireless, LLC, an Oregon limited liability company (collectively, "FW"). The total consideration was approximately $24.8 million and included a cash payment at closing of approximately $9.3 million, the Company's assumption of $0.5 million in certain transaction-related expenses incurred by FW, and the future issuance of shares of the Company's common stock valued at $15.0 million (the "Deferred Purchase Price"), which would have been payable in March 2016 pursuant to the original terms of the RER Merger Agreement.

The total consideration of $24.8 million did not include amounts, if any, payable under an earn-out arrangement pursuant to which the Company may have been required to pay up to an additional $25.0 million to the former stockholders of RER contingent upon FW's achievement of certain financial targets for the years ending December 31, 2015, 2016, and 2017 (the "Earn-Out Arrangement"). Such payments, if any, under the Earn-Out Arrangement would have been payable in either cash or shares of the Company's common stock at the discretion of the Company, and would have been recorded as compensation expense during the service period earned.

On January 5, 2016, the Company and RER amended certain payment terms of the RER Merger Agreement. Under the amended agreement, the Deferred Purchase Price that was previously payable in shares of the Company's common stock in March 2016 was agreed to be paid in five cash installments over a four-year period, beginning in March 2016. In addition, the Earn-Out Arrangement was amended as follows: (a) any amount earned under the Earn-Out Arrangement for the achievement of financial targets for the year ended December 31, 2015 would be paid in five cash installments over a four-year period, beginning in March 2016; and (b) in replacement of the potential earn-out contingent upon FW's achievement of certain financial targets for the years ended December 31, 2016 and 2017 the Company would issue to the former stockholders of RER approximately 2.9 million shares of the Company's common stock in three equal installments over a three-year period, beginning in March 2017. On March 15, 2017, the Company issued 973,334 shares of its common stock to the former stockholders of RER in satisfaction of the first installment of this obligation. As of the filing date of this report, the March 2017 cash installments have not been paid and the Company is disputing its obligations to make such payments (see Note 10, *Commitments and Contingencies*).

On March 23, 2017, the name of Feeney Wireless, LLC was changed to Inseego North America, LLC.

As of September 30, 2017, the total amount of Deferred Purchase Price that remained outstanding was $11.3 million and the total amount outstanding pursuant to the Earn-Out Arrangement was $9.8 million, both of which are included in accrued expenses and other current liabilities and in other long-term liabilities in the unaudited condensed consolidated balance sheets.

Divestitures

Modules Business

On April 11, 2016, the Company signed a definitive asset purchase agreement with Telit Technologies (Cyprus) Limited and Telit Wireless Solutions, Inc. (collectively, "Telit") pursuant to which the Company sold, and Telit acquired, certain hardware modules and related assets for an initial purchase price of $11.0 million in cash, which included $9.0 million that was paid to the Company on the closing date of the transaction, $1.0 million that would be paid to the Company in equal quarterly installments over a two-year period in connection with the provision by the Company of certain transition services and $1.0 million that would be paid to the Company following the satisfaction of certain conditions by the Company, including the assignment of specified contracts and the delivery of certain certifications and approvals. The Company also had the potential to receive an additional cash payment of approximately $3.8 million from Telit related to their purchase of module product inventory from the Company, $1.0 million of which would be paid to the Company in equal quarterly installments over the two-year period following the closing date in connection with the provision by the Company of certain transition services. In addition to the above, the Company may have been entitled to receive a subsequent earn-out payment following the closing of the transaction if certain conditions were met.

On September 29, 2016, the Company entered into a Final Resolution Letter Agreement (the "Final Resolution") with Telit. Per the Final Resolution, Telit agreed to pay the Company $2.1 million in full satisfaction of their payment obligations under certain sections of the original purchase agreement, including all installment payments, and the Company agreed to ship the remainder of the hardware modules and related assets as soon as practicable. Under the Final Resolution, the aggregate purchase consideration totaled $11.7 million, which consisted of $11.3 million in cash and $0.4 million in net settled Company liabilities.

During the nine months ended September 30, 2017, the Company shipped the remaining hardware modules and related assets due to Telit under the Final Resolution and recognized a related gain of approximately $45,000, which is included in other income (expense), net, in the unaudited condensed consolidated statements of operations.

MiFi Business

On September 21, 2016, the Company entered into a Stock Purchase Agreement (the "Purchase Agreement"), by and among Inseego and Novatel Wireless, Inc. ("Novatel Wireless"), on the one hand, and T.C.L. Industries Holdings (H.K.) Limited and Jade Ocean Global Limited (collectively, the "Purchasers") on the other hand. The Purchase Agreement related to a proposed sale of the Company's subsidiary, Novatel Wireless, which included the Company's MiFi branded hotspots and USB modem product lines (the "MiFi Business"), to the Purchasers for $50.0 million in cash, subject to potential adjustment for Novatel Wireless's working capital as of the closing date. In June 2017, the Company terminated the Purchase Agreement due to delays and uncertainty in securing approval of the transactions contemplated by the Purchase Agreement from CFIUS. As a result of such termination, the Company will retain its ownership interest in Novatel Wireless and the MiFi Business. The Company intends to retain such business and has no plans to sell it to another party.

3. Balance Sheet Details

Inventories

Inventories consist of the following (in thousands):

	September 30, 2017	December 31, 2016
Finished goods	$ 10,888	$ 19,277
Raw materials and components	10,076	11,865
Total inventories	$ 20,964	$ 31,142

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following (in thousands):

	September 30, 2017	December 31, 2016
Royalties	$ 2,065	$ 1,544
Payroll and related expenses	2,779	5,315
Warranty obligations	526	480
Market development funds and price protection	34	320
Professional fees	1,554	4,793
Bank overdrafts	234	489
Accrued interest	1,685	275
Deferred revenue	1,245	1,656
Restructuring	1,635	837
Acquisition-related liabilities	13,186	7,912
Divestiture-related liabilities	—	463
Other	7,558	3,813
Total accrued expenses and other current liabilities	$ 32,501	$ 27,897

4. Goodwill and Other Intangible Assets

The balances in goodwill and other intangible assets were primarily a result of the Company's acquisitions of Ctrack and FW. See Note 4, *Goodwill and Other Intangible Assets*, in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 for a discussion of the components of goodwill and additional information regarding other intangible assets.

5. Fair Value Measurement of Assets and Liabilities

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). A fair value measurement reflects the assumptions market participants would use in pricing an asset or liability based on the best available information. These assumptions include the risk inherent in a particular valuation technique (such as a pricing model) and the risks inherent in the inputs to the model.

The Company classifies inputs to measure fair value using a three-level hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The categorization of financial instruments within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The hierarchy is prioritized into three levels (with Level 3 being the lowest) and is defined as follows:

Level 1: Pricing inputs are based on quoted market prices for identical assets or liabilities in active markets (e.g., NYSE or NASDAQ). Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Pricing inputs include benchmark yields, trade data, reported trades and broker dealer quotes, two-sided markets and industry and economic events, yield to maturity, Municipal Securities Rule Making Board reported trades and vendor trading platform data. Level 2 includes those financial instruments that are valued using various pricing services and broker pricing information including Electronic Communication Networks and broker feeds.

Level 3: Pricing inputs include significant inputs that are generally less observable from objective sources, including the Company's own assumptions.

The Company reviews the fair value hierarchy classification on a quarterly basis. Changes in the observability of valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy. There have been no transfers of assets or liabilities between fair value measurement classifications during the nine months ended September 30, 2017.

The Company had no financial instruments measured at fair value on a recurring basis as of September 30, 2017.

The following table summarizes the Company's financial instruments measured at fair value on a recurring basis in accordance with the authoritative guidance for fair value measurements as of December 31, 2016 (in thousands):

	Balance as of December 31, 2016	Level 1
Assets:		
Cash equivalents		
Money market funds	$ 35	$ 35
Total cash equivalents	$ 35	$ 35

Other Financial Instruments

The Company's financial assets and liabilities are carried at fair value or at amounts that, because of their short-term nature, approximate current fair value, with the exception of its $105.1 million in Convertible Notes (as defined below) (see Note 6, *Debt*). The Company carries its Convertible Notes at amortized cost. The debt and equity components of the Convertible Notes were measured using Level 3 inputs and are not measured on a recurring basis. The fair value of the liability component of the Convertible Notes, which approximates the carrying value of such notes, was $82.7 million and $90.9 million as of September 30, 2017 and December 31, 2016, respectively.

6. Debt

Previous Credit Agreement

On October 31, 2014, the Company entered into a five-year senior secured revolving credit facility in the amount of $25.0 million (the "Revolver") with Wells Fargo Bank, National Association, as lender. Concurrently with the acquisition of FW, the Company amended the Revolver to include FW as a borrower and Loan Party, as defined by the agreement. On November 17, 2015, the Revolver was amended to increase the maximum borrowing capacity to $48.0 million. On March 20, 2017, at the Company's request, the financial covenants with respect to liquidity requirements and EBITDA targets, among other things, were amended in order to enable draw-downs by the Company from time to time. In exchange for such accommodations, the aggregate amount available under the Revolver was decreased from $48.0 million to $10.0 million. There was no balance outstanding under the Revolver at December 31, 2016.

The Company terminated the Revolver on May 8, 2017, in connection with the execution of a credit agreement between the Company and Lakestar Semi Inc., a private investment fund managed by Soros Fund Management LLC, dated as of May 8, 2017 (the "Prior Credit Agreement"). The Prior Credit Agreement provided for a $20.0 million secured term loan with a maturity date of May 8, 2018. In conjunction with the closing of the Prior Credit Agreement, the Company received proceeds of $18.0 million, net of a $2.0 million debt discount, and paid issuance costs of approximately $0.4 million.

On August 23, 2017, upon entering into the Credit Agreement described below, the Company used a portion of the proceeds of the new Term Loan (as defined below) to repay all outstanding amounts under and terminate the Prior Credit Agreement. In connection with the termination of the Prior Credit Agreement, the Company recognized a loss on extinguishment of debt of approximately $1.7 million, which is included in other income (expense), net, in the unaudited condensed consolidated statements of operations. There was no early termination fee paid in connection with the termination of the Prior Credit Agreement.

Term Loan

On August 23, 2017, the Company and certain of its direct and indirect subsidiaries (the "Guarantors") entered into a credit agreement (the "Credit Agreement") with Cantor Fitzgerald Securities, as administrative agent and collateral agent (the "Agent"), and certain funds managed by Highbridge Capital Management, LLC, as lenders (the "Lenders"). Pursuant to the Credit Agreement, the Lenders provided the Company with a term loan in the principal amount of $48.0 million (the "Term Loan") with a maturity date of August 23, 2020 (the "Maturity Date"). In conjunction with the closing of the Term Loan, the Company received proceeds of $46.9 million, $35.0 million of which was funded to the Company in cash on the closing date, net of an original issue discount and commitment fee, and the remaining $11.9 million of which was funded through the Company's repurchase and cancellation of approximately $14.9 million of its outstanding Inseego Notes (as defined below) pursuant to the terms of the Note Purchase Agreement (as defined below). The Company paid issuance costs of approximately

$0.5 million. Additionally, the Company issued shares of its common stock and accrued an exit fee, which, when combined with the original debt discount and commitment fee, resulted in a total debt discount of approximately $4.0 million.

The Term Loan is secured by a first priority lien on substantially all of the assets of the Company and the Guarantors, including equity interests in certain of the Company's direct and indirect subsidiaries, in each case subject to certain customary exceptions and permitted liens. The Credit Agreement includes customary representations and warranties, a material adverse change clause, as well as customary reporting and financial covenants.

The Term Loan bears interest at a rate per annum equal to the three-month LIBOR, but in no event less than 1.00%, plus 7.625%. Interest on the Term Loan is payable on the last business day of each calendar month and on the Maturity Date. Principal on the Term Loan is payable on the Maturity Date.

The Term Loan consisted of the following at September 30, 2017 (in thousands):

Principal	$	48,000
Less: unamortized debt discount and debt issuance costs		(4,318)
Net carrying amount	$	43,682

The effective interest rate on the Term Loan was 12.50% for the period from the date of issuance through September 30, 2017. The following table sets forth total interest expense recognized related to the Term Loan during the three and nine months ended September 30, 2017 (in thousands):

Contractual interest expense	$	435
Amortization of debt discount		139
Amortization of debt issuance costs		17
Total interest expense	$	591

Convertible Senior Notes

Novatel Wireless Notes

On June 10, 2015, the Company issued $120.0 million of 5.50% convertible senior notes due 2020 (the "Novatel Wireless Notes"). The Company incurred issuance costs of approximately $3.9 million. The Company used a portion of the proceeds from the offering to finance its acquisition of Ctrack, to pay fees and expenses related to the acquisition, and for general corporate purposes.

The Novatel Wireless Notes are governed by the terms of an indenture, dated June 10, 2015 (the "Novatel Wireless Indenture"), between Novatel Wireless, as issuer, the Company and Wilmington Trust, National Association, as trustee. The Novatel Wireless Notes are senior unsecured obligations and bear interest at a rate of 5.50% per year, payable semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2015. The Novatel Wireless Notes will mature on June 15, 2020, unless earlier repurchased or converted. The Novatel Wireless Notes will be convertible into cash, shares of the Company's common stock, or a combination thereof, at the election of the Company, at an initial conversion price of $5.00 per share of the Company's common stock.

Following the settlement of the exchange offer and consent solicitation described below, approximately $0.2 million aggregate principal amount of Novatel Wireless Notes remain outstanding. In connection with the exchange offer and consent solicitation, the Novatel Wireless Indenture and the Novatel Wireless Notes were amended to, among other things, eliminate certain events of default and substantially all of the restrictive covenants in the Novatel Wireless Indenture and the Novatel Wireless Notes, including the merger covenant, which sets forth certain requirements that must be met for Novatel Wireless to consolidate, merge or sell all or substantially all of its assets, and the reporting covenant, which requires Novatel Wireless to provide certain periodic reports to noteholders. The Novatel Wireless Indenture, as amended, also provides that the form of settlement of any conversions of the Novatel Wireless Notes will be elected by the Company.

Inseego Notes

On January 9, 2017, in connection with the settlement of an exchange offer and consent solicitation with respect to the Novatel Wireless Notes, the Company issued approximately $119.8 million of 5.50% convertible senior notes due 2022 (the "Inseego Notes" and collectively with Novatel Wireless Notes, the "Convertible Notes"). The Inseego Notes were issued in exchange for the approximately $119.8 million aggregate principal amount of outstanding Novatel Wireless Notes that were validly tendered and accepted for exchange and subsequently canceled.

The Inseego Notes are governed by the terms of an indenture, dated January 9, 2017 (the "Inseego Indenture"), between the Company, as issuer, and Wilmington Trust, National Association, as trustee (the "Trustee"). The Inseego Notes are senior unsecured obligations of the Company and bear interest from, and including, December 15, 2016, at a rate of 5.50% per year, payable semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2017. The Inseego Notes will mature on June 15, 2022, unless earlier converted, redeemed or repurchased.

The Inseego Notes will be convertible into cash, shares of the Company's common stock, or a combination thereof, at the election of the Company, at an initial conversion rate of 212.7660 shares of common stock per $1,000 principal amount of the Inseego Notes, which corresponds to an initial conversion price of $4.70 per share of the Company's common stock.The conversion rate is subject to adjustment from time to time upon the occurrence of certain events, including, but not limited to, the issuance of stock dividends and payment of cash dividends.

At any time prior to the close of business on the business day immediately preceding December 15, 2021, holders may convert their Inseego Notes at their option only under the following circumstances:

(i) during any calendar quarter (and only during such calendar quarter), if the last reported sale price of the Company's common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter equals or exceeds 130% of the conversion price on such trading day;

(ii) during the five consecutive business day period immediately after any five consecutive trading day period (the "Measurement Period") in which the trading price per $1,000 principal amount of the Inseego Notes for each trading day of the Measurement Period was less than 98% of the product of the last reported sale price per share of the Company's common stock and the conversion rate on each such trading day;

(iii) upon the occurrence of certain corporate events specified in the Inseego Indenture; or

(iv) if the Company has called the Inseego Notes for redemption.

On or after December 15, 2021, the holders may convert any of their Inseego Notes at any time prior to the close of business on the business day immediately preceding the maturity date.

The Company may redeem all or a portion of the Inseego Notes at its option on or after June 15, 2018 if the last reported sale price per share of the Company's common stock equals or exceeds 140% of the conversion price for each of at least 20 trading days (whether or not consecutive) during the 30 consecutive trading days ending on, and including, the trading day immediately prior to the date on which the Company provides written notice of redemption, at a redemption price equal to 100% of the principal amount of the Inseego Notes to be redeemed, plus any accrued and unpaid interest on such Inseego Notes, subject to the right of holders as of the close of business on an interest record date to receive the related interest. In addition, if the Company calls the Inseego Notes for redemption, a "make-whole fundamental change" (as defined in the Inseego Indenture) will be deemed to occur. As a result, the Company will, in certain circumstances, increase the conversion rate for holders who convert their Inseego Notes in connection with such redemption.

The Inseego Notes are subject to repurchase by the Company at the option of the holders on June 15, 2020 (the "Optional Repurchase Date") at a repurchase price in cash equal to 100% of the principal amount of the Inseego Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the Optional Repurchase Date, subject to the right of holders of the Inseego Notes on a record date to receive interest through the corresponding interest payment date.

No "sinking fund" is provided for the Inseego Notes, which means that the Company is not required to periodically redeem or retire the Inseego Notes. If the Company undergoes a "fundamental change" (as defined in the Inseego Indenture), subject to certain conditions, holders may require the Company to repurchase for cash all or part of their Inseego Notes in principal amounts of $1,000, or an integral multiple of $1,000 in excess thereof. The fundamental change repurchase price will be equal to 100% of the principal amount of the Inseego Notes to be repurchased, plus accrued and unpaid interest to, but

excluding, the fundamental change repurchase date, subject to the right of holders as of the close of business on an interest record date to receive the related interest. In addition, every fundamental change is a make-whole fundamental change. As a result, the Company will, in certain circumstances, increase the conversion rate for holders who convert their Inseego Notes in connection with such fundamental change.

The Inseego Indenture contains certain covenants, effective until June 15, 2020, that limit the amount of debt, including secured debt, that may be incurred by the Company or its subsidiaries, and that limit the ability of the Company to pay dividends, repurchase its equity securities or make other restricted payments.

The Inseego Indenture also provides for customary events of default. If an event of default (other than certain events of bankruptcy, insolvency or reorganization involving the Company) occurs and is continuing, the Trustee, by notice to the Company, or the holders of at least 25% in principal amount of the outstanding Inseego Notes, by notice to the Company and the Trustee, may declare the principal and accrued and unpaid interest on the outstanding Inseego Notes to be immediately due and payable. Upon the occurrence of certain events of bankruptcy, insolvency or reorganization involving the Company, 100% of the principal and accrued and unpaid interest of the Inseego Notes will automatically become immediately due and payable. Notwithstanding the foregoing, the Inseego Indenture provides that, to the extent the Company elects and for up to 60 days, the sole remedy for an event of default relating to certain failures by the Company to comply with certain reporting covenants consists exclusively of the right to receive special interest on the Inseego Notes at a rate equal to 0.50% per annum on the principal amount of the outstanding Inseego Notes.

Because the exchange of the Novatel Wireless Notes for the Inseego Notes described above was treated as a debt modification in accordance with applicable FASB guidance (it was between a parent and a subsidiary company and for substantially identical notes), the Company did not recognize a gain or loss with respect to the issuance of the Inseego Notes. In accordance with authoritative guidance, the Company recognized $3.6 million as an additional component of debt discount and additional paid-in capital attributed to the increase in the fair value of the embedded conversion feature of the Inseego Notes before and after modification. The Company will amortize the debt discount on the Inseego Notes as a component of interest expense using the effective interest method through June 2020.

Note Purchase Agreement

On August 23, 2017, in connection with the Credit Agreement described above, the Company and certain of the Lenders entered into a Note Purchase Agreement (the “Note Purchase Agreement”) pursuant to which the Company repurchased approximately $14.9 million of outstanding Inseego Notes from such Lenders in exchange for $11.9 million deemed to have been loaned to the Company pursuant to the Credit Agreement and the accrued and unpaid interest on such notes. In connection with the repurchase of such notes, the Company recognized a loss on extinguishment of debt of approximately $0.3 million, which is included in other income (expense), net, in the unaudited condensed consolidated statements of operations.

The Convertible Notes consisted of the following at September 30, 2017 and December 31, 2016 (in thousands):

	September 30, 2017	December 31, 2016
Liability component:		
Principal	$ 105,125	$ 120,000
Less: unamortized debt discount and debt issuance costs	(22,422)	(29,092)
Net carrying amount	$ 82,703	$ 90,908
Equity component	$ 41,905	$ 38,305

The effective interest rate on the liability component of the Convertible Notes was 19.09% for the nine months ended September 30, 2017. The following table sets forth total interest expense recognized related to the Convertible Notes during the three and nine months ended September 30, 2017 and 2016 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Contractual interest expense	$ 1,564	$ 1,650	$ 4,864	$ 4,950
Amortization of debt discount	2,126	1,980	6,586	5,940
Amortization of debt issuance costs	125	132	388	395
Total interest expense	$ 3,815	$ 3,762	$ 11,838	$ 11,285

7. Share-based Compensation

The Company included the following amounts for share-based compensation awards in the unaudited condensed consolidated statements of operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Cost of revenues	$ 35	$ 49	$ 130	$ 156
Research and development	225	201	541	662
Sales and marketing	320	170	536	593
General and administrative	214	695	1,566	2,026
Restructuring	169	—	169	—
Total	$ 963	$ 1,115	$ 2,942	$ 3,437

Stock Options

The following table summarizes the Company's stock option activity:

Outstanding — December 31, 2015	6,084,836
Granted	1,051,550
Exercised	(78,384)
Canceled	(701,799)
Outstanding — December 31, 2016	6,356,203
Granted	3,877,000
Exercised	—
Canceled	(3,238,251)
Outstanding — September 30, 2017	6,994,952
Exercisable — September 30, 2017	2,338,157

At September 30, 2017, total unrecognized compensation expense related to stock options was $3.1 million, which is expected to be recognized over a weighted-average period of 1.71 years.

Restricted Stock Units

The following table summarizes the Company's restricted stock unit ("RSU") activity:

Non-vested — December 31, 2015	960,203
Granted	2,914,000
Vested	(461,866)
Forfeited	(436,537)
Non-vested — December 31, 2016	2,975,800
Granted	1,480,301
Vested	(1,162,453)
Forfeited	(2,134,777)
Non-vested — September 30, 2017	1,158,871

At September 30, 2017, total unrecognized compensation expense related to RSUs was $1.3 million, which is expected to be recognized over a weighted-average period of 2.65 years.

8. Earnings Per Share

Basic earnings per share ("EPS") excludes dilution and is computed by dividing net income (loss) attributable to Inseego Corp. by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock using the treasury stock method. Potentially dilutive securities (consisting of warrants, stock options and RSUs calculated using the treasury stock method) are excluded from the diluted EPS computation in loss periods and when the applicable exercise price is greater than the market price on the period end date as their effect would be anti-dilutive.

The calculation of basic and diluted EPS was as follows (in thousands, except share and per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net loss attributable to Inseego Corp.	$ (13,789)	$ (18,567)	$ (41,913)	$ (33,172)
Weighted-average common shares outstanding	59,004,520	53,876,795	58,157,171	53,584,410
Basic and diluted net loss per share	$ (0.23)	$ (0.34)	$ (0.72)	$ (0.62)

For the three and nine months ended September 30, 2017, the computation of diluted EPS excluded 10,040,453 shares related to warrants, stock options and RSUs as their effect would have been anti-dilutive. For the three and nine months ended September 30, 2016, the computation of diluted EPS excluded 11,653,167 shares related to warrants, stock options and RSUs as their effect would have been anti-dilutive.

9. Geographic Information and Concentrations of Risk

Geographic Information

The following table details the geographic concentration of the Company's net revenues based on shipping destination:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
United States and Canada	73.2%	72.4%	72.9%	74.6%
South Africa	17.0	17.7	17.2	15.3
Other	9.8	9.9	9.9	10.1
	100.0%	100.0%	100.0%	100.0%

Concentrations of Risk

For the three months ended September 30, 2017, two customers accounted for 48.0% and 14.9% of net revenues, respectively. For the three months ended September 30, 2016, one customer accounted for 55.3% of net revenues. For the nine months ended September 30, 2017, two customers accounted for 49.6% and 11.4% of net revenues, respectively. For the nine months ended September 30, 2016, one customer accounted for 54.6% of net revenues.

As of September 30, 2017, one customer accounted for 37.9% of accounts receivable, net.

10. Commitments and Contingencies

Legal

The Company is, from time to time, party to various legal proceedings arising in the ordinary course of business. For example, the Company is currently named as a defendant or co-defendant in some patent infringement lawsuits in the U.S. and is indirectly participating in other U.S. patent infringement actions pursuant to its contractual indemnification obligations to certain customers. Based on an evaluation of these matters and discussions with the Company's intellectual property litigation counsel, the Company currently believes that liabilities arising from or sums paid in settlement of these existing matters, if any, would not have a material adverse effect on its consolidated results of operations or financial condition.

On May 27, 2015, a patent infringement action was brought against Novatel Wireless by Carucel Investments, L.P. ("Carucel"), a non-practicing entity (*Carucel Investments, L.P. v. Novatel Wireless, Inc., et al., U.S.D.C. S.D. Florida, Civil Action No. 0:15-cv-61116-BB*). The complaint alleged that certain MiFi mobile hotspots manufactured by Novatel Wireless infringed claims of patents owned by Carucel. On April 10, 2017, judgment was entered in favor of Novatel Wireless. Carucel has filed to appeal certain orders in the litigation. The Company does not believe there is merit to an appeal by Carucel and intends to vigorously defend the appeal. However, there can be no assurance as to the ultimate outcome of any appeal or other future judgment in this case, and an adverse judgment could have a material adverse effect on the Company's consolidated results of operations or financial condition.

On May 11, 2017, the Company initiated a lawsuit against the former stockholders of RER in the Court of Chancery of the State of Delaware seeking recovery of damages for civil conspiracy, fraud in the inducement, unjust enrichment and breach of fiduciary duty. The Company has suspended payments due to the former stockholders of RER pursuant to the Earn-Out Arrangement and the Deferred Purchase Price pending the outcome of this litigation. There can be no assurance as to the ultimate outcome of the future judgment in this case, and an adverse judgment could have a material adverse effect on the Company's consolidated results of operations or financial condition.

Indemnification

In the normal course of business, the Company periodically enters into agreements that require the Company to indemnify and defend its customers for, among other things, claims alleging that the Company's products infringe third-party patents or other intellectual property rights. The Company's maximum exposure under these indemnification provisions cannot be estimated but the Company does not believe that there are any matters individually or collectively that would have a material adverse effect on its consolidated results of operations or financial condition.

11. Income Taxes

The Company's effective income tax rate was 3.1% and (4.1)% for the three months ended September 30, 2017 and 2016, respectively, and 3.1% and (1.4)% for the nine months ended September 30, 2017 and 2016, respectively. The Company's effective income tax rates are significantly lower than the statutory tax rate primarily due to an increase in the Company's valuation allowance related to its U.S.-based deferred tax amounts, resulting from carryforward net operating losses generated during the three and nine months ended September 30, 2017 and 2016.

Pursuant to Internal Revenue Code Sections 382 and 383, annual use of the Company's net operating loss and research and development credit carryforwards may be limited in the event a cumulative change in ownership of more than 50% occurs within a three-year period.

12. Restructuring

In August 2015, the Company approved a restructuring initiative to better position the Company to operate in current market conditions and more closely align operating expenses with revenues, which included employee severance costs and facility exit related costs. In the fourth quarter of 2015, the Company commenced certain initiatives relating to the

reorganization of executive level management (collectively, the "2015 Initiatives"). The Company continued these initiatives in 2016 with a reduction-in-force and the completion of the closure of its facility in Richardson, TX. The 2015 Initiatives are expected to cost a total of approximately $6.0 million and be completed when the Richardson, TX lease expires in June 2020.

In February and June 2017, the Company commenced certain restructuring initiatives intended to continue to improve its strategic focus on its most profitable business lines and consolidate operations of its subsidiaries with those of the Company, including reductions-in-force, further reorganization of executive level management and the consolidation of certain of its facilities (the "2017 Initiatives"). The 2017 Initiatives are expected to cost a total of approximately $5.2 million and be completed when the San Diego, CA lease expires in December 2019.

The following table sets forth activity in the restructuring liability for the nine months ended September 30, 2017 (in thousands):

	Balance at December 31, 2016	Costs Incurred	Payments	Non-cash	Balance at September 30, 2017	Cumulative Costs Incurred to Date
2015 Initiatives						
Employee Severance Costs	$ 455	$ —	$ (410)	$ —	$ 45	$ 4,130
Facility Exit Related Costs	588	827	(355)	—	1,060	1,693
2017 Initiatives						
Employee Severance Costs	—	2,946	(2,574)	—	372	2,946
Facility Exit Related Costs	—	1,270	(108)	91	1,253	1,270
Other Related Costs	—	655	(296)	(169)	190	655
Total	$ 1,043	$ 5,698	$ (3,743)	$ (78)	$ 2,920	$ 10,694

The balance of the restructuring liability at September 30, 2017 consists of approximately $1.6 million in current liabilities and $1.3 million in long-term liabilities.

During the nine months ended September 30, 2017, the Company wrote down the value of certain inventory by approximately $1.5 million, net of recoveries from a related legal settlement, related to the abandonment of certain product lines that management decided to exit. The Company accounted for the adjustment in accordance with the ASC 330, *Inventory*, and included the adjustment in impairment of abandoned product line, net of recoveries, within cost of net revenues in the unaudited condensed consolidated statements of operations.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations.***

Forward Looking Statements

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). You should not place undue reliance on these statements. These forward-looking statements include statements that reflect the views of our senior management with respect to our current expectations, assumptions, estimates and projections about Inseego and our industry. These forward-looking statements speak only as of the date of this report. We disclaim any undertaking to publicly update or revise any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Statements that include the words "may," "could," "should," "would," "estimate," "anticipate," "believe," "expect," "preliminary," "intend," "plan," "project," "outlook," "will" and similar words and phrases identify forward-looking statements. Forward-looking statements address matters that involve risks and uncertainties that could cause actual results to differ materially from those anticipated in these forward-looking statements as of the date of this report. We believe that these factors include those related to:

- our ability to compete in the market for wireless broadband data access products, machine-to-machine ("M2M") products, and telematics, vehicle tracking and fleet management products;
- our ability to develop and timely introduce new products successfully;
- our dependence on a small number of customers for a substantial portion of our revenues;
- our ability to integrate the operations of R.E.R. Enterprises, Inc. ("RER") (and its wholly-owned subsidiary and principal operating asset, Feeney Wireless, LLC (which has been renamed Inseego North America, LLC) ("FW" or "INA")), DigiCore Holdings Limited ("DigiCore" or "Ctrack"), and any business, products, technologies or personnel that we may acquire in the future, including: (i) our ability to retain key personnel from the acquired company or business; and (ii) our ability to realize the anticipated benefits of the acquisition;
- our ability to realize the benefits of recent divestiture and reorganization transactions;
- our ability to realize the benefits of recent restructuring activities and cost-reduction initiatives including reductions-in-force, reorganization of executive level management and the consolidation of certain of our facilities;
- our ability to introduce and sell new products that comply with current and evolving industry standards and government regulations;
- our ability to develop and maintain strategic relationships to expand into new markets;
- our ability to properly manage the growth of our business to avoid significant strains on our management and operations and disruptions to our business;
- our reliance on third parties to manufacture our products;
- our ability to accurately forecast customer demand and order the manufacture and timely delivery of sufficient product quantities;
- our reliance on sole source suppliers for some products used in our solutions;
- the continuing impact of uncertain global economic conditions on the demand for our products;
- our ability to be cost competitive while meeting time-to-market requirements for our customers;
- our ability to meet the product performance needs of our customers in wireless broadband data access in M2M markets;
- demand for fleet and vehicle management software-as-a-service ("SaaS") telematics solutions;
- our dependence on wireless telecommunication operators delivering acceptable wireless services;
- the outcome of any pending or future litigation, including intellectual property litigation;
- infringement claims with respect to intellectual property contained in our products;
- our continued ability to license necessary third-party technology for the development and sale of our products;
- the introduction of new products that could contain errors or defects;
- doing business abroad, including foreign currency risks;

- our ability to make focused investments in research and development; and
- our ability to hire, retain and manage additional qualified personnel to maintain and expand our business.

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this and other reports we file with or furnish to the Securities and Exchange Commission ("SEC"), including the information in "Item 1A. Risk Factors" included in Part I of our Annual Report on Form 10-K for the year ended December 31, 2016. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate.

Trademarks

"Inseego", the Inseego logo and "N4A" are trademarks or registered trademarks of Inseego. "Novatel Wireless", the Novatel Wireless logo, "MiFi", "MiFi Intelligent Mobile Hotspot", "MiFi OS", "MiFi Powered", "MiFi Home" and "MiFi Freedom. My Way." are trademarks or registered trademarks of Novatel Wireless, Inc. ("Novatel Wireless"). "DigiCore", "Ctrack" and the Ctrack logo are trademarks or registered trademarks of DigiCore. "FW", "Crossroads" and the Feeney Wireless logo are trademarks or registered trademarks of INA. Other trademarks, trade names or service marks used in this report are the property of their respective owners.

As used in this report on Form 10-Q, unless the context otherwise requires, the terms "we," "us," "our," the "Company" and "Inseego" refer to Inseego Corp., a Delaware corporation, and its wholly owned subsidiaries.

The following information should be read in conjunction with the condensed consolidated financial statements and the accompanying notes included in Part I, Item 1 of this report, as well as the audited consolidated financial statements and accompanying notes and Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended December 31, 2016 contained in our Annual Report on Form 10-K for the year ended December 31, 2016.

Business Overview

We are a leader in the design and development of products and solutions that simplify the Internet of Things ("IoT"), delivering innovative hardware and cloud-based, SaaS services to carriers, distributors, retailers, original equipment manufacturers ("OEMs") and vertical markets worldwide. We sell mobile broadband solutions, branded as MiFi® products, through national wireless carriers and their distributors in the United States and Canada. We sell telematics solutions globally under the Ctrack brand, including our fleet management, asset tracking and monitoring, stolen vehicle recovery and usage-based insurance platforms. We also sell connectivity solutions and device management services. Our products and solutions provide anywhere, anytime communications and analytics for consumers and businesses of all sizes, with approximately 700,000 global subscribers as of September 30, 2017, including approximately 465,000 subscribers for our Ctrack branded fleet management and vehicle telematics solutions and approximately 235,000 subscribers for our connectivity and device management services.

We have invented and reinvented ways in which the world stays connected and accesses information. With multiple first-to-market innovations and a strong and growing portfolio of hardware and software innovations for IoT, our companies have been advancing technology and driving industry transformation for over 30 years. It is this proven expertise and commitment to quality and innovation that makes us a preferred global partner of operators, distributors, system integrators, businesses and consumers.

Our telematics customer base is comprised of wireless operators, distributors, OEMs and companies in various vertical markets. Fleet management customers include global enterprises such as BHP Billiton, Super Group, Mammoet, and Australia Post. Customers of our government, local council and municipality asset management platforms include Thames Water and the City of Ekurhuleni. Airport asset tracking customers include KLM Equipment Services and Hanover Airport. Usage-based insurances customers include Discovery Insure and Cross Country Insurance Consultants. Our largest vehicle tracking customer is the South African Police Service.

We have strategic technology, development and marketing relationships with several of our customers and partners. Our strong customer and partner relationships provide us with the opportunity to expand our market reach and sales. We partner with leading OEMs, telecom groups and installation partners which allows us to offer customers integrated and holistic solutions. Ctrack uses leading cellular providers such as AT&T, Sprint, T-Mobile, Vodafone, MTN, Telstra and Optus to ensure the optimal real-time visibility of tracked vehicles and systems, supported by accurate and sophisticated mapping services such as the HERE Open Location Platform.

Our Sources of Revenue

SaaS, Software and Services

Inseego sells SaaS, software and services solutions across multiple IoT vertical markets, including fleet management and vehicle telematics, usage-based insurance, stolen vehicle recovery, asset tracking and monitoring, business connectivity and device management. Our platforms are device-agnostic and provide a standardized, scalable way to order, connect and manage remote assets and improve business operations. The platforms are flexible and support both on-premise server or cloud-based deployments and are the basis for the delivery of a wide range of IoT services.

Our SaaS delivery platforms include (i) our Ctrack platforms, which provide fleet, vehicle, asset and other SaaS telematics, (ii) our Crossroads platform, which provides easy IoT device management and service enablement and (iii) our Device Management Solutions, a hosted SaaS platform that helps organizations manage the selection, deployment and spend of their wireless assets, saving money on personnel and telecom expenses.

Hardware

We provide intelligent wireless hardware products for the worldwide mobile communications market. Our hardware products address multiple vertical markets for our customers including fleet and commercial telematics, after-market telematics, remote monitoring and control, security and connected home and wireless surveillance systems. Our broad range of products principally includes intelligent mobile hotspots, wireless routers for IoT, USB modems, integrated telematics and mobile tracking hardware devices, which are supported by applications software and cloud services designed to enable customers to easily analyze data insights and also configure and manage our hardware remotely. Our products currently operate on every major cellular wireless technology platform. Our mobile hotspots are actively used by millions of customers annually

to provide subscribers with secure and convenient high-speed access to corporate, public and personal information through the Internet and enterprise networks. Our wireless routers and USB modems serve as gateways to the rapidly growing and underpenetrated IoT segment. Our telematics and mobile tracking hardware devices collect and control critical vehicle data and driver behaviors, and can reliably deliver that information to the cloud, all managed by our services enablement platforms.

We sell our intelligent mobile hotspots primarily to wireless operators either directly or through strategic relationships. Our mobile-hotspot customer base is comprised of wireless operators, including Verizon Wireless and T-Mobile, as well as distributors and various companies in other vertical markets.

We sell our wireless routers for IoT and integrated telematics and mobile tracking hardware devices through our direct sales force and through distributors. The customer base for our wireless routers for IoT and integrated telematics and mobile tracking hardware devices is comprised of transportation companies, industrial companies, manufacturers, application service providers, system integrators and distributors, and enterprises in various industries, including fleet and vehicle transportation, energy and industrial automation, security and safety, medical monitoring and government.

The hardware used in our solutions is produced by contract manufacturers. Their services include component procurement, assembly, testing, quality control and fulfillment. Our contract manufacturers include Inventec Appliances Corporation and AsiaTelco Technologies Co. Under our manufacturing agreements, contract manufacturers provide us with services including component procurement, product manufacturing, final assembly, testing, quality control and fulfillment.

Our hardware products are managed through a structured life cycle process, from identifying initial customer requirements through development and commercial introduction to eventual phase-out. During product development, emphasis is placed on innovation, time-to-market, performance, meeting industry standards and customer product specifications, ease of integration, cost reduction, manufacturability, quality and reliability.

Divestiture Activities

Modules Business

On April 11, 2016, we signed a definitive asset purchase agreement with Telit Technologies (Cyprus) Limited and Telit Wireless Solutions, Inc. (collectively, "Telit") pursuant to which we sold, and Telit acquired, certain hardware modules and related assets (the "Modules Business") for an initial purchase price of $11.0 million in cash, which included $9.0 million that was paid to us on the closing date of the transaction, $1.0 million that would be paid to us in equal quarterly installments over a two-year period in connection with the provision by us of certain transition services and $1.0 million that would be paid to us following the satisfaction of certain conditions by us, including the assignment of specified contracts and the delivery of certain certifications and approvals. We also had the potential to receive an additional cash payment of approximately $3.8 million from Telit related to their purchase of module product inventory from us, $1.0 million of which would be paid to us in equal quarterly installments over the two-year period following the closing date in connection with the provision by us of certain transition services. In addition to the above, we may have been entitled to receive a subsequent earn-out payment following the closing of the transaction if certain conditions were met.

On September 29, 2016, we entered into a Final Resolution Letter Agreement (the "Final Resolution") with Telit. Per the Final Resolution, Telit agreed to pay us $2.1 million in full satisfaction of their payment obligations under certain sections of the original purchase agreement, including all installment payments, and we agreed to ship the remainder of the hardware modules and related assets as soon as practicable. Under the Final Resolution, the aggregate purchase consideration totaled $11.7 million, which consisted of $11.3 million in cash and $0.4 million in net settled Company liabilities.

During the nine months ended September 30, 2017, we shipped all remaining hardware modules and related assets, which fulfilled all of our outstanding obligations pursuant to the asset purchase agreement, as amended, and we recognized a gain of approximately $45,000 in connection with such fulfillment, which is included in other income (expense), net, in the unaudited condensed consolidated statements of operations.

MiFi Business

On September 21, 2016, we entered into a Stock Purchase Agreement (the "Purchase Agreement"), by and among Inseego and Novatel Wireless, on the one hand, and T.C.L. Industries Holdings (H.K.) Limited and Jade Ocean Global Limited (collectively, the "Purchasers") on the other hand. The Purchase Agreement related to the proposed sale of our subsidiary, Novatel Wireless, which included the Company's MiFi branded hotspots and USB modem product lines (the "MiFi Business"), to the Purchasers for $50.0 million in cash, subject to potential adjustment for Novatel Wireless's working capital as of the closing date. In June 2017, we terminated the Purchase Agreement due to delays and uncertainty in securing approval of the transactions contemplated by the Purchase Agreement from the Committee on Foreign Investment in the United States. As a

result of such termination, we will retain our ownership interest in Novatel Wireless and the MiFi Business. We intend to retain such business and have no plans to sell it to another party.

Factors Which May Influence Future Results of Operations

Net Revenues. We believe that our future net revenues will be influenced largely by the global demand for SaaS solutions for telematics, including our Ctrack fleet management, asset tracking and monitoring, stolen vehicle recovery, and usage-based insurance platforms. Our future net revenues will also be influenced by the demand in North America for our business connectivity solutions and device management services, as well as customer acceptance of our new products that address our markets and our ability to meet customer demand. Factors that could potentially affect customer demand for our products include the following:

- economic environment and related market conditions;
- increased competition from other fleet and vehicle telematics solutions, as well as suppliers of emerging devices that contain wireless data access or device management features;
- rate of change to new products;
- product pricing; and
- changes in technologies.

Our revenues are also significantly dependent upon the availability of materials and components used in our hardware products.

We anticipate introducing additional products during the next twelve months, including SaaS telematics solutions and additional service offerings. We continue to develop and maintain strategic relationships with wireless industry leaders such as Verizon Wireless, T-Mobile, AT&T, Sprint, Vodafone, MTN, Telstra and Optus. Through strategic relationships, we have been able to maintain market penetration by leveraging the resources of our channel partners, including their access to distribution resources, increased sales opportunities and market opportunities.

Cost of Net Revenues. Cost of net revenues includes all costs associated with our contract manufacturers, distribution, fulfillment and repair services, delivery of SaaS services, warranty costs, amortization of intangible assets, royalties, operations overhead, costs associated with our cancellation of purchase orders, and costs related to outside services. Also included in cost of net revenues are costs related to inventory adjustments, including the FW and Ctrack acquisition-related amortization in 2016 of the fair value of inventory, as well as any write downs for excess and obsolete inventory and abandoned product lines. Inventory adjustments are impacted primarily by demand for our products, which is influenced by the factors discussed above.

Operating Costs and Expenses. Our operating costs consist of three primary categories: research and development; sales and marketing; and general and administrative costs.

Research and development is at the core of our ability to produce innovative, leading-edge products. These expenses consist primarily of engineers and technicians who design and test our highly complex products and the procurement of testing and certification services.

Sales and marketing expenses consist primarily of our sales force and product-marketing professionals. In order to maintain strong sales relationships, we provide co-marketing, trade show support and product training. We are also engaged in a wide variety of activities, such as awareness and lead generation programs as well as product marketing. Other marketing initiatives include public relations, seminars and co-branding with partners.

General and administrative expenses include primarily corporate functions such as accounting, human resources, legal, administrative support, and professional fees. This category also includes the expenses needed to operate as a publicly-traded company, including compliance with the Sarbanes-Oxley Act of 2002, as amended, SEC filings, stock exchange fees, and investor relations expense. Although general and administrative expenses are not directly related to revenue levels, certain expenses such as legal expenses and provisions for bad debts may cause significant volatility in future general and administrative expenses.

We have undertaken certain restructuring activities and cost-reduction initiatives over the years in an effort to better align our organizational structure and costs with our strategy. Restructuring charges consist primarily of severance costs incurred in connection with the reduction of our workforce and facility exit related costs.

As part of our business strategy, we review acquisition opportunities that we believe would be advantageous or complementary to the development of our business. Given our current cash position and recent losses, any additional acquisitions we make would likely involve issuing stock and/or borrowing additional funds in order to provide the purchase

consideration for the acquisitions. If we make any additional acquisitions, we may incur substantial expenditures in conjunction with the acquisition process and the subsequent assimilation of any acquired business, products, technologies or personnel.

Critical Accounting Policies and Estimates

In the notes to our consolidated financial statements and in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2016, we have disclosed those accounting policies that we consider to be significant in determining our results of operations and financial condition. There have been no material changes to those policies that we consider to be significant since the filing of our Annual Report on Form 10-K for the year ended December 31, 2016. The accounting principles used in preparing our unaudited condensed consolidated financial statements conform in all material respects to accounting principles generally accepted in the U.S.

Results of Operations

Three Months Ended September 30, 2017 Compared to Three Months Ended September 30, 2016

Net revenues. Net revenues for the three months ended September 30, 2017 were $57.5 million, compared to $60.9 million for the same period in 2016.

The following table summarizes net revenues by our two product categories (in thousands):

	Three Months Ended September 30,		Change	
Product Category	**2017**	**2016**	**$**	**%**
Hardware	$ 42,810	$ 46,096	$ (3,286)	(7.1)%
SaaS, software and services	14,651	14,785	(134)	(0.9)%
Total	$ 57,461	$ 60,881	$ (3,420)	(5.6)%

Hardware. The decrease in hardware net revenues is primarily a result of reduced sales related to the divested Modules Business, as well as our ongoing transition away from sales of certain lower margin hardware products through INA and Ctrack to focus more on a recurring revenue business model.

SaaS, software and services. The SaaS, software and services net revenues remained consistent period over period.

Cost of net revenues. Cost of net revenues for the three months ended September 30, 2017 was $41.1 million, or 71.5% of net revenues, compared to $38.0 million, or 62.3% of net revenues, for the same period in 2016.

The following table summarizes cost of net revenues by our two product categories (in thousands):

	Three Months Ended September 30,		Change	
Product Category	**2017**	**2016**	**$**	**%**
Hardware	$ 37,277	$ 32,768	$ 4,509	13.8 %
SaaS, software and services	3,730	5,189	(1,459)	(28.1)%
Impairment of abandoned product line, net of recoveries	82	—	82	100.0 %
Total	$ 41,089	$ 37,957	$ 3,132	8.3 %

Hardware. The increase in hardware cost of net revenues is primarily a result of increased costs per unit on new products released in 2017, as well as the one-time sale of certain legacy MiFi products at cost in order to improve our liquidity.

SaaS, software and services. The decrease in SaaS, software and services cost of net revenues is primarily a result of our cost containment initiatives and product mix.

Impairment of abandoned product line, net of recoveries. The impairment of abandoned product line reflects an additional write down of the value of certain inventory related to product lines that were abandoned during the fourth quarter of 2016.

Gross profit. Gross profit for the three months ended September 30, 2017 was $16.4 million, or a gross margin of 28.5%, compared to $22.9 million, or a gross margin of 37.7% for the same period in 2016. The decrease in gross profit was primarily

attributable to the changes in net revenues and cost of net revenues as discussed above. The decrease in gross margin was primarily a result of the one-time sale of certain legacy MiFi products at cost in order to improve our liquidity, as well as decreased gross margins related to the MiFi Business.

Research and development expenses. Research and development expenses for the three months ended September 30, 2017 were $5.1 million, or 8.9% of net revenues, compared to $7.9 million, or 13.0% of net revenues, for the same period in 2016. The decrease in research and development expenses was primarily a result of our cost containment initiatives, including reductions in our workforce over the past 21 months.

Sales and marketing expenses. Sales and marketing expenses for the three months ended September 30, 2017 were $6.2 million, or 10.8% of net revenues, compared to $8.0 million, or 13.1% of net revenues, for the same period in 2016. The decrease was primarily a result of our cost containment initiatives, including reductions in our workforce over the past 21 months.

General and administrative expenses. General and administrative expenses for the three months ended September 30, 2017 were $7.1 million, or 12.4% of net revenues, compared to $14.6 million, or 23.9% of net revenues, for the same period in 2016. The decrease was primarily a result of our cost containment initiatives, including reductions in our workforce over the past 21 months.

Amortization of purchased intangible assets. The amortization of purchased intangible assets for the three months ended September 30, 2017 and 2016 was $0.9 million and $1.0 million, respectively.

Impairment of purchased intangible assets. During the three months ended September 30, 2016, we recorded an impairment loss of $2.6 million primarily related to the developed technologies acquired through our acquisition of FW. We did not have an impairment loss during the same period in 2017.

Restructuring charges. Restructuring expenses for the three months ended September 30, 2017 and 2016 were $3.4 million and $0.8 million, respectively, and primarily consisted of severance costs incurred in connection with the reduction of our workforce, as well as facility exit related costs.

Interest expense, net. Interest expense, net, for the three months ended September 30, 2017 was $5.2 million, compared to interest expense, net, of $3.9 million for the same period in 2016. The increase in interest expense is primarily a result of the increase in the amortization of debt discount related to the increase in the fair value of the embedded conversion feature of the Inseego Notes (as defined below), as well as the interest expense and amortization of the debt discount and debt issuance costs related to our Term Loan and Prior Credit Agreement, as discussed below.

Other income (expense), net. Other expense, net, for the three months ended September 30, 2017 was $1.8 million, which primarily consisted of a loss on extinguishment of debt related to the repayment of the Prior Credit Agreement and repurchase of certain of our Inseego Notes. Other expense, net, for the three months ended September 30, 2016 was $3.6 million, which primarily consisted of a decrease in the gain recognized in the second quarter of 2016 resulting from the Final Resolution related to our sale of certain hardware modules and related assets to Telit, as well as net unrealized foreign currency losses primarily related to outstanding intercompany loans that Ctrack has with certain of its wholly-owned subsidiaries, which are re-measured at each reporting period.

Income tax provision (benefit). Income tax provision for the three months ended September 30, 2017 was $0.4 million, which primarily related to certain of our profitable entities in foreign jurisdictions. Income tax benefit for the same period in 2016 was $0.8 million, which primarily related to a reduction in our valuation allowance related to the purchase accounting for certain intangible assets, partially offset by income tax provision related to our profitable entities in foreign jurisdictions.

Net loss (income) attributable to noncontrolling interests. For the three months ended September 30, 2017, net loss attributable to noncontrolling interests was $6,000, compared to net income attributable to noncontrolling interest of $11,000 for the same period in 2016.

Nine Months Ended September 30, 2017 Compared to Nine Months Ended September 30, 2016

Net revenues. Net revenues for the nine months ended September 30, 2017 were $172.8 million, compared to $190.6 million for the same period in 2016.

The following table summarizes net revenues by our two product categories (in thousands):

Product Category	Nine Months Ended September 30,		Change	
	2017	2016	$	%
Hardware	$ 129,221	$ 149,402	$ (20,181)	(13.5)%
SaaS, software and services	43,542	41,234	2,308	5.6 %
Total	$ 172,763	$ 190,636	$ (17,873)	(9.4)%

Hardware. The decrease in hardware net revenues is primarily a result of the divestiture of the Modules Business in the second quarter of 2016 and the abandonment of certain legacy Enfora product lines, as well as reduced sales related to the MiFi Business.

SaaS, software and services. The increase in SaaS, software and services net revenues is primarily a result of our increased subscriber base as we continue to build a recurring revenue business.

Cost of net revenues. Cost of net revenues for the nine months ended September 30, 2017 was $123.0 million, or 71.2% of net revenues, compared to $123.3 million, or 64.7% of net revenues, for the same period in 2016.

The following table summarizes cost of net revenues by our two product categories (in thousands):

Product Category	Nine Months Ended September 30,		Change	
	2017	2016	$	%
Hardware	$ 108,097	$ 109,395	$ (1,298)	(1.2)%
SaaS, software and services	13,390	13,896	(506)	(3.6)%
Impairment of abandoned product line, net of recoveries	1,489	—	1,489	100.0 %
Total	$ 122,976	$ 123,291	$ (315)	(0.3)%

Hardware. The decrease in hardware cost of net revenues is primarily a result of reduced revenues, partially offset by increased costs per unit on new products released in 2017 and the one-time sale of certain legacy MiFi products at cost in order to improve our liquidity in the third quarter of 2017.

SaaS, software and services. The decrease in SaaS, software and services cost of net revenues is primarily a result of our cost containment initiatives and product mix.

Impairment of abandoned product line, net of recoveries. The impairment of abandoned product line reflects the additional write down in the second quarter of 2017 of the value of certain inventory related to product lines which were abandoned during the fourth quarter of 2016, net of recoveries from a related legal settlement.

Gross profit. Gross profit for the nine months ended September 30, 2017 was $49.8 million, or a gross margin of 28.8%, compared to $67.3 million, or a gross margin of 35.3%, for the same period in 2016. The decrease in gross profit was primarily a result of the changes in net revenues and cost of net revenues as discussed above. The decrease in gross margin was primarily a result of decreased gross margins related to the MiFi Business, as well as the impairment of an abandoned product line as it had no related revenue.

Research and development expenses. Research and development expenses for the nine months ended September 30, 2017 were $16.8 million, or 9.7% of net revenues, compared to $24.2 million, or 12.7% of net revenues, for the same period in 2016. The decrease was primarily a result of our cost containment initiatives, including reductions in our workforce over the past 21 months.

Sales and marketing expenses. Sales and marketing expenses for the nine months ended September 30, 2017 were $20.3 million, or 11.8% of net revenues, compared to $24.1 million, or 12.6% of net revenues, for the same period in 2016. The decrease was primarily a result of our cost containment initiatives, including reductions in our workforce over the past 21 months.

General and administrative expenses. General and administrative expenses for the nine months ended September 30, 2017 were $27.2 million, or 15.8% of net revenues, compared to $34.7 million, or 18.2% of net revenues, for the same period in 2016. General and administrative expenses decreased for the nine months ended September 30, 2017 primarily a result of our cost containment initiatives, including reductions in our workforce over the past 21 months.

Amortization of purchased intangible assets. The amortization of purchased intangible assets for the nine months ended September 30, 2017 and 2016 was $2.7 million and $2.9 million, respectively.

Impairment of purchased intangible assets. During the nine months ended September 30, 2016, we recorded an impairment loss of $2.6 million primarily related to the developed technologies acquired through our acquisition of FW. We did not have an impairment loss during the same period in 2017.

Restructuring charges, net of recoveries. Restructuring charges, net of recoveries, for the nine months ended September 30, 2017 and 2016 were $5.7 million and $1.7 million, respectively, and predominantly consisted of severance costs incurred in connection with the reduction of our workforce, as well as facility exit related costs.

Interest expense, net. Interest expense, net for the nine months ended September 30, 2017 was $14.3 million, compared to $11.7 million for the same period in 2016. The increase in interest expense is primarily a result of the increase in the amortization of debt discount related to the increase in the fair value of the embedded conversion feature of the Inseego Notes, as well as the interest expense and amortization of the debt discount and debt issuance costs related to our Term Loan and Prior Credit Agreement, as discussed below.

Other income (expense), net. Other expense, net, for the nine months ended September 30, 2017 was $3.4 million, which primarily consisted of a loss on extinguishment of debt related to the repayment of the Prior Credit Agreement and repurchase of certain of our Inseego Notes, as well as the termination of the Revolver (as defined below). Other income, net, for the nine months ended September 30, 2016 was $1.0 million, which primarily consisted of a gain related to the sale of our Modules Business, partially offset by net unrealized foreign currency losses primarily related to outstanding intercompany loans that Ctrack has with certain of its wholly-owned subsidiaries, which are re-measured at each reporting period.

Income tax provision (benefit). Income tax provision for the nine months ended September 30, 2017 was $1.3 million, which primarily related to certain of our profitable entities in foreign jurisdictions. Income tax benefit for the same period in 2016 was $0.5 million, which primarily related to a reduction in our valuation allowance related to the purchase accounting for certain intangible assets, partially offset by income tax provision related to our profitable entities in foreign jurisdictions.

Net loss (income) attributable to noncontrolling interests. Net loss attributable to noncontrolling interests was $33,000 for the nine months ended September 30, 2017, compared to net income attributable to noncontrolling interest of $24,000 for the same period in 2016.

Liquidity and Capital Resources

Our principal sources of liquidity are our existing cash and cash equivalents and cash generated from operations.

Previous Credit Agreements

On October 31, 2014, we entered into a five-year senior secured revolving credit facility in the amount of $25.0 million (the "Revolver") with Wells Fargo Bank, National Association, as lender. On November 17, 2015, the Revolver was amended to increase the maximum borrowing capacity to $48.0 million. On March 20, 2017, at our request, the financial covenants with respect to liquidity requirements and EBITDA targets, among other things, were amended in order to enable draw-downs by the Company from time to time. In exchange for such accommodations, the aggregate amount available under the Revolver was decreased from $48.0 million to $10.0 million.

We terminated the Revolver on May 8, 2017, in connection with the execution of a Credit Agreement with Lakestar Semi Inc., a private investment fund managed by Soros Fund Management LLC, dated as of May 8, 2017 (the "Prior Credit Agreement"). The Prior Credit Agreement provided for a $20.0 million secured term loan with a maturity date of May 8, 2018.

On August 23, 2017, upon entering into the Credit Agreement described below, we used a portion of the proceeds of the new Term Loan (as defined below) to repay all outstanding amounts under and terminate the Prior Credit Agreement. In connection with the termination of the Prior Credit Agreement, we recognized a loss on extinguishment of debt of approximately $1.7 million, which is included in other income (expense), net, in the unaudited condensed consolidated statements of operations. There was no early termination fee paid in connection with the termination of the Prior Credit Agreement.

Term Loan

On August 23, 2017, we, and certain of our direct and indirect subsidiaries (the "Guarantors"), entered into a credit agreement (the "Credit Agreement") with Cantor Fitzgerald Securities, as administrative agent and collateral agent (the "Agent"), and certain funds managed by Highbridge Capital Management, LLC, as lenders (the "Lenders"). Pursuant to the Credit Agreement, the Lenders provided us with a term loan in the principal amount of $48.0 million (the "Term Loan") with a maturity date of August 23, 2020 (the "Maturity Date"). In conjunction with the closing of the Term Loan, we received proceeds of $46.9 million, $35.0 million of which was funded to us in cash on the closing date, net of approximately $1.1 million related to an original issue discount and commitment fee, and the remaining $11.9 million of which was funded through our repurchase and cancellation of approximately $14.9 million of our outstanding Inseego Notes pursuant to the terms of the Note Purchase Agreement (as defined below). Additionally, in conjunction with the closing of the Term Loan, we issued 2,000,000 shares of our common stock to the Lenders with a market value of approximately $2.3 million, accrued an exit fee of approximately $0.6 million, and paid issuance costs of approximately $0.5 million.

The Term Loan is secured by a first priority lien on substantially all of the assets of the Company and the Guarantors, including equity interests in certain of our direct and indirect subsidiaries, in each case subject to certain customary exceptions and permitted liens. The Credit Agreement includes customary representations and warranties, a material adverse change clause, as well as customary reporting and financial covenants.

The Term Loan bears interest at a rate per annum equal to the three-month LIBOR, but in no event less than 1.00%, plus 7.625%. Interest on the Term Loan is payable on the last business day of each calendar month and on the Maturity Date. Principal on the Term Loan is payable on the Maturity Date.

Convertible Senior Notes

On June 10, 2015, Novatel Wireless issued $120.0 million of 5.50% senior convertible notes due 2020 previously issued by Novatel Wireless (the "Novatel Wireless Notes") which are governed by the terms of an indenture, dated June 10, 2015, between Novatel Wireless, as issuer, Inseego and Wilmington Trust, National Association, as trustee, as amended by certain supplemental indentures. The Novatel Wireless Notes are senior unsecured obligations of Novatel Wireless and bear interest at a rate of 5.50% per year, payable semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2015. The Novatel Wireless Notes will mature on June 15, 2020, unless earlier repurchased or converted. The Novatel Wireless Notes will be convertible into cash, shares of our common stock, or a combination thereof, at our election, at an initial conversion price of $5.00 per share of our common stock.

On January 9, 2017, in connection with the settlement of an exchange offer and consent solicitation with respect to the Novatel Wireless Notes, the Company issued $119.8 million aggregate principal amount of the 5.50% senior convertible notes due 2022 (the "Inseego Notes" and collectively with the Inseego Notes, the "Convertible Notes"). The Inseego Notes were issued in exchange for the $119.8 million aggregate principal amount of outstanding Novatel Wireless Notes that were validly tendered and accepted for exchange and subsequently canceled. The Inseego Notes are governed by the terms of an indenture, dated January 9, 2017 (the "Inseego Indenture"), between the Company, as issuer, and Wilmington Trust, National Association, as trustee. The Inseego Notes are senior unsecured obligations of the Company and bear interest at a rate of 5.50% per year, payable semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2017. The Inseego Notes permit the Company to have a senior credit facility up to a maximum amount of $48.0 million.

The exchange of the Novatel Wireless Notes for the Inseego Notes was treated as a debt modification in accordance with applicable FASB guidance and the Company recognized $3.6 million as an additional component of debt discount and additional paid-in capital attributed to the increase in the fair value of the embedded conversion feature of the Inseego Notes before and after modification.

The Inseego Notes will mature on June 15, 2022, unless earlier converted, redeemed or repurchased. The Inseego Notes will be convertible into cash, shares of our common stock, or a combination thereof, at our election, at an initial conversion price of $4.70 per share of our common stock.

On August 23, 2017, in connection with the Credit Agreement described above, we entered into a Note Purchase Agreement (the "Note Purchase Agreement") with the Lenders pursuant to which we repurchased approximately $14.9 million of outstanding Inseego Notes from such Lenders in exchange for $11.9 million deemed to have been loaned to us pursuant to the Credit Agreement and the accrued and unpaid interest on such notes. In connection with the repurchase of such notes, we recognized a loss on extinguishment of debt of approximately $0.3 million, which is included in other income (expense), net, in the unaudited condensed consolidated statements of operations.

As of the filing date of this report, the following aggregate principal amounts remain outstanding (in thousands):

Inseego Notes	$ 104,875
Novatel Wireless Notes	250
Total	$ 105,125

RER Amendment

Pursuant to the amended merger agreement with respect to our acquisition of FW, we agreed to pay a total of $15.0 million in deferred purchase price in five cash installments over a four-year period, beginning in March 2016. We also agreed to pay a total of approximately $6.1 million in cash over a four-year period, beginning in March 2016, of which approximately $4.6 million remains unpaid, related to the earn-out provisions of the amended merger agreement (see Note 2, *Acquisitions and Divestitures,* to the unaudited condensed consolidated financial statements included with this report). As of the filing date of this report, the March 2017 cash installment of $5.3 million has not been paid and the Company is disputing its obligation to make such payment (see Note 10, *Commitments and Contingencies,* to the unaudited condensed consolidated financial statements included with this report).

Historical Cash Flows

The following table summarizes our condensed consolidated statements of cash flows for the periods indicated (in thousands):

	Nine Months Ended September 30,	
	2017	2016
Net cash provided by (used in) operating activities	$ (15,202)	$ 51
Net cash provided by (used in) investing activities	(3,811)	6,185
Net cash provided by (used in) financing activities	29,870	(1,494)
Effect of exchange rates on cash and cash equivalents	(1,164)	(147)
Net increase in cash and cash equivalents	9,693	4,595
Cash and cash equivalents, beginning of period	9,894	12,570
Cash and cash equivalents, end of period	$ 19,587	$ 17,165

Operating activities. Net cash used in operating activities was $15.2 million for the nine months ended September 30, 2017, compared to net cash provided by operating activities of $0.1 million for the same period in 2016. Net cash used in operating activities for the nine months ended September 30, 2017 was primarily attributable to the net loss in the period, partially offset by non-cash charges for depreciation and amortization, including the amortization of debt discount and debt issuance costs, loss on impairment of abandoned product line, loss on extinguishment of debt and share-based compensation expense. Net cash provided by operating activities for the nine months ended September 30, 2016 was primarily attributable to net cash provided by working capital, non-cash charges for depreciation and amortization, including the amortization of the acquisition-related inventory step up and debt discount and debt issuance costs, equity earn-out compensation expense, net unrealized foreign currency transaction losses, loss on impairment of purchased intangible assets, provision for excess and obsolete inventory and share-based compensation expense, partially offset by the net loss in the period and a gain on the divestiture of certain hardware modules and related assets.

Investing activities. Net cash used in investing activities during the nine months ended September 30, 2017 was $3.8 million, compared to net cash provided by investing activities of $6.2 million for the same period in 2016. Cash used in investing activities during the nine months ended September 30, 2017 was primarily related to the purchases of property, plant and equipment and capitalization of certain costs related to the research and development of software to be sold in our solutions. Net cash provided by investing activities for the same period in 2016 was primarily attributable to the sale of certain hardware modules and related assets as well as the sale of certain short-term investments, partially offset by an installment payment related to our acquisition of FW and the capitalization of certain costs related to the research and development of software to be sold in our solutions.

Financing activities. Net cash provided by financing activities during the nine months ended September 30, 2017 was $29.9 million, compared to net cash used in financing activities $1.5 million for the same period in 2016. Net cash provided by financing activities during the nine months ended September 30, 2017 was primarily related to proceeds from the Term Loan, partially offset by the repurchase of certain Inseego Notes, payment of issuance costs related to the Term Loan and Prior Credit Agreement, net repayments of DigiCore bank and overdraft facilities, principal payments under capital lease obligations and

taxes paid on vested restricted stock units. Net cash used in financing activities for the same period in 2016 was primarily related to principal payments under capital lease obligations and a mortgage bond, partially offset by proceeds from stock option exercises and employee stock purchase plan, net of taxes paid on vested restricted stock units.

Other Liquidity Needs

As of September 30, 2017, we had available cash and cash equivalents totaling $19.6 million and working capital of $6.4 million.

The restructuring announced in June 2017 is aimed at significantly reducing our cost of revenues and operating expenses in an effort to increase operating cash flows to eventually be sufficient to offset debt service costs and cash flows from investing activities. Our ability to transition to attaining more profitable operations and generating positive cash flow is dependent upon achieving a level of revenues adequate to support our evolving cost structure. If events or circumstances occur such that we do not meet our operating plan as expected, we may be required to reduce planned research and development activities, incur additional restructuring charges or reduce other operating expenses which could have an adverse impact on our ability to achieve our intended business objectives. We believe that our cash and cash equivalents, together with anticipated cash flows from operations, will be sufficient to meet our working capital needs for the next twelve months following the filing date of this report.

Our liquidity could be impaired if there is any interruption in our business operations, a material failure to satisfy our contractual commitments or a failure to generate revenue from new or existing products.

We may decide to raise additional funds to accelerate development of new and existing services and products, to respond to competitive pressures or to acquire complementary products, businesses or technologies. There can be no assurance that any required or desired additional financing will be available on terms favorable to us, or at all. In addition, in order to obtain additional borrowings, we must comply with certain requirements under the Credit Agreement. If additional funds are raised by the issuance of equity securities, our stockholders could experience dilution of their ownership interests and securities issued may have rights senior to those of the holders of our common stock. If additional funds are raised by the issuance of debt securities, we may be subject to certain limitations on our operations.

Contractual Obligations and Commercial Commitments

Except as described above, during the nine months ended September 30, 2017, there were no material changes to our contractual obligations and commercial commitments from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2016.

Off-Balance Sheet Arrangements

We do not engage in any off-balance sheet arrangements.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk.***

Market risk is the risk of potential economic loss principally arising from adverse changes in the fair value of financial instruments. The major components of market risk affecting us are interest rate risk, global credit risk and foreign currency exchange rate risk.

Since December 31, 2016, there have been no material changes in the quantitative or qualitative aspects of our market risk profile. For additional information regarding the Company's exposure to certain market risks, see "Item 7A. *Quantitative and Qualitative Disclosures About Market Risk*" included in our Annual Report on Form 10-K for the year ended December 31, 2016.

Item 4. ***Controls and Procedures.***

The Company maintains disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Exchange Act, that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective because of the material weaknesses in internal control over

financial reporting described in Part II, Item 9A of the Annual Report on Form 10-K for the year ended December 31, 2016, which primarily resulted from a lack of sufficient resources in key accounting and financial reporting roles within the organization necessary to prepare financial statements in time to meet regulatory filing requirements.

During the period covered by this Quarterly Report on Form 10-Q, we initiated an active program to: (a) hire additional employees and upgrade certain accounting positions to provide further support to our finance and accounting team; (b) provide additional functional and system training to employees; (c) document and formalize our accounting policies and internal control processes and to help strengthen supervisory reviews by our management; and (d) design and implement monthly manual controls to manage our financial reporting close processes and to help ensure timely preparation of financial statements. Although we had not fully remediated this material weakness as of September 30, 2017, we continue to actively engage in the implementation of these and other remediation efforts to address this material weakness.

Except as discussed above, there were no changes in the Company's internal control over financial reporting, as defined in Rule 13a-15(f) promulgated under the Exchange Act, during the three months ended September 30, 2017, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. *Legal Proceedings.*

The disclosure in Note 10, *Commitments and Contingencies*, in the accompanying unaudited condensed consolidated financial statements includes a discussion of our legal proceedings and is incorporated herein by reference.

The Company is also engaged in various other legal actions arising in the ordinary course of our business and, while there can be no assurance, the Company currently believes that the ultimate outcome of these other legal actions will not have a material adverse effect on its business, results of operations, financial condition or cash flows.

Item 1A. *Risk Factors.*

There have been no material changes in our risk factors from those disclosed in "Item 1A. *Risk Factors*" of the Company's Annual Report on Form 10-K for the year ended December 31, 2016, except for the risk factors listed below.

An assertion by a third party that we are infringing its intellectual property could subject us to costly and time-consuming litigation or expensive licenses and our business could be harmed.

The technology industries involving mobile data communications, IoT devices, software and services are characterized by the existence of a large number of patents, copyrights, trademarks and trade secrets and by frequent litigation based on allegations of infringement or other violations of intellectual property rights. Much of this litigation involves patent holding companies or other adverse patent owners who have no relevant product revenues of their own, and against whom our own patent portfolio may provide little or no deterrence. For example, one such entity, Carucel Investments, L.P. ("Carucel") filed a claim seeking approximately $43.0 million in royalties and damages related to past sales of MiFi mobile hotspots. After a trial in April 2017, a jury found that our products did not infringe Carucel's patents, but Carucel is appealing the verdict and there can be no assurances as to the ultimate outcome of this litigation. Moreover, this is just one of several patent infringement lawsuits from non-practicing entities that are brought against us or our subsidiaries each year in the ordinary course of business.

We cannot assure you that we or our subsidiaries will prevail in any current or future intellectual property infringement or other litigation given the complex technical issues and inherent uncertainties in such litigation. Defending such claims, regardless of their merit, could be time-consuming and distracting to management, result in costly litigation or settlement, cause development delays, or require us or our subsidiaries to enter into royalty or licensing agreements. In addition, we or our subsidiaries could be obligated to indemnify our customers against third parties' claims of intellectual property infringement based on our products or solutions, as is the case in the Carucel litigation for which Novatel Wireless may be obligated to indemnify its customer, Verizon Wireless if Carucel's infringement claim ultimately result in any liability. If our products or solutions violate any third-party intellectual property rights, we could be required to withdraw them from the market, re-develop them or seek to obtain licenses from third parties, which might not be available on reasonable terms or at all. Any efforts to re-develop our products or solutions, obtain licenses from third parties on favorable terms or license a substitute technology might not be successful and, in any case, might substantially increase our costs and harm our business, financial condition and operating results. Withdrawal of any of our products or solutions from the market could harm our business, financial condition and operating results.

In addition, we incorporate open source software into our products and solutions. Given the nature of open source software, third parties might assert copyright and other intellectual property infringement claims against us based on our use of certain open source software programs. The terms of many open source licenses to which we are subject have not been interpreted by U.S. courts or courts of other jurisdictions, and there is a risk that those licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to commercialize our products and solutions. In that event, we could be required to seek licenses from third parties in order to continue offering our products and solutions, to re-develop our solutions, to discontinue sales of our solutions, or to release our proprietary software source code under the terms of an open source license, any of which could adversely affect our business.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

Our ability to make scheduled payments of the principal of, to pay interest on, or to refinance our indebtedness, including our Term Loan and our Inseego Notes, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not generate cash flow from operations in the future sufficient to service our debt and other fixed charges, fund working capital needs and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, refinancing or restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive.

If we are unable to generate sufficient cash flow or otherwise obtain funds necessary to make required payments, or if we fail to comply with the various requirements of our existing indebtedness or any other indebtedness which we may incur in the future, we would be in default, which could permit the holders of our indebtedness, including the Inseego Notes, to accelerate the maturity of such indebtedness. Any default under such indebtedness could have a material adverse effect on our business, results of operations and financial condition.

The Credit Agreement relating to our Term Loan contains customary operational covenants, our failure to comply with which could result in a default under the Credit Agreement as well as a cross-default under the Inseego Indenture.

The Credit Agreement for our Term Loan contains usual and customary restrictive covenants relating to the management and operation of our business, and it is likely that any future debt arrangements we may enter into would contain similar covenants. Failure to comply with any of the covenants under the Credit Agreement or any other debt agreement could result in a default under such an agreement and a cross-default under the Inseego Indenture, which could permit the holders of the Inseego Notes to accelerate the maturity of such indebtedness. Any default or cross-default under such indebtedness could have a material adverse effect on our business, results of operations and financial results.

The indebtedness under our Credit Agreement is secured by certain of our assets, including the equity interests of certain of our direct and indirect subsidiaries. As a result of this security interest, such assets would only be available to satisfy claims of our general creditors or to holders of our equity securities if we were to become insolvent to the extent that the value of such assets exceeded the amount of our indebtedness and other obligations under the Credit Agreement.

Indebtedness under our Credit Agreement is secured by a lien on certain of our assets, including the equity interests of certain of our direct and indirect subsidiaries. Accordingly, if an event of default were to occur under the Credit Agreement, such as a bankruptcy, insolvency, liquidation or other reorganization, the Lenders would have a priority right to such assets, to the exclusion of our general creditors. In that event, such assets would first be used to repay in full all indebtedness and other obligations under the Credit Agreement, resulting in all or a portion of such assets being unavailable to satisfy the claims of our unsecured creditors. Only after satisfying the claims of our unsecured creditors and our subsidiaries' unsecured creditors would any amount be available for distribution to holders of our equity securities.

If our restructuring activities fail to achieve targeted cost and expense reductions our business and financial performance may be adversely affected.

In June 2017, we announced a restructuring plan aimed at reducing our cost of revenues and operating expenses. This restructuring plan was designed to improve our strategic focus on our most profitable business lines and consolidate operations of certain of our subsidiaries with those of the Company, including reductions-in-force, further reorganization of executive level management and the consolidation of certain of our facilities. During the period covered by this Quarterly Report on Form 10-Q, we incurred $3.4 million of restructuring charges and decreased other operating expenses by $2.1 million. While we expect to continue with our cost and expense reductions we face a variety of risks and uncertainties relating to the effectiveness of such activities. Any delays in the implementation of our restructuring plan or unforeseen expenses related to such activities could have a material adverse effect on our business, results of operations and financial condition.

Our decision to terminate the Purchase Agreement governing the proposed sale of our MiFi Business and retain ownership of that business could have adverse effects on our business, results of operations and the trading price of our common stock.

In June 2017, we terminated the Purchase Agreement governing the proposed sale of our MiFi Business due to delays and uncertainty in securing approval of the transactions contemplated by the Purchase Agreement from CFIUS. As a result of such termination, we will retain our ownership interest in Novatel Wireless and the MiFi Business. While we believe that market opportunities and the underlying business fundamentals of the MiFi Business have significantly improved since we decided to seek the sale of the business in early 2016 we expect to face significant challenges as we drive that business toward profitability.

The MiFi Business has relatively low gross margins and operates in a very competitive market environment. While our MiFi hotspot products tend to have advanced features which often enable them to be sold at premium prices when they are first introduced, we also have higher costs than most of our competitors due to our small scale and heavy use of U.S.-based engineers in product development. Most of our competitors have substantially greater resources and scale, as would be expected in the relatively mature, consumer electronics product categories which comprise our MiFi Business. Our wireless data modem and mobile hotspots, for example, compete against similar products offered by Huawei, ZTE, Sierra Wireless, TCL, Franklin Wireless and NetGear. More broadly, those products also compete against wireless handset manufacturers such as HTC, Apple, LG and Samsung, which all offer mobile hotspot capability as a feature of their cellular smartphones. Failure to manage these challenges, or failure of our MiFi product or service offerings to be successful and profitable, could have a material adverse effect on our financial condition and results of operations.

Our decision to retain the MiFi Business means that we will continue to depend upon Verizon Wireless for a substantial portion of our revenues, and our business would be negatively affected by an adverse change in our dealings with this customer.

Historically, as a result of the significant revenues associated with our MiFi Business, sales to Verizon Wireless accounted for 54%, 54% and 52% of our consolidated net revenues for the years ended December 31, 2016, 2015 and 2014, respectively. For the three months ended September 30, 2017, sales to Verizon Wireless accounted for 48.0% of our consolidated net revenues. While we have accelerated our engagements with prospective new MiFi customers, we expect that Verizon Wireless will continue to account for a substantial portion of our net revenues, and any impairment of our relationship with Verizon Wireless would adversely affect our business.

Uncertainties relating to recent changes in our management team may adversely affect our operations.

During recent periods, certain members of our management team have resigned from their positions as officers or managers. While we expect to engage in an orderly transition process as we integrate newly appointed officers and managers, we face a variety of risks and uncertainties relating to these resignations and new appointments, including diversion of management attention from business concerns, failure to retain other key personnel or inability to hire new key personnel.

If we fail to maintain an effective system of internal controls over financial reporting, we may not be able to report our financial results timely and accurately, which could adversely affect investor confidence in the Company, and in turn, our results of operations and our stock price.

Effective internal controls are necessary for us to provide reliable financial reports and operate successfully as a public company. Section 404 of the Sarbanes-Oxley Act of 2002 requires that companies evaluate and report on their systems of internal control over financial reporting.

Our management has concluded that the Company's disclosure controls and procedures were not effective as of September 30, 2017 as a result of the material weakness in internal control over financial reporting that was identified in the year ended December 31, 2016 resulting primarily from a lack of sufficient resources in key accounting and financial reporting roles within the organization necessary to prepare financial statements in time to meet regulatory filing requirements. Notwithstanding the material weakness that continued to exist as of September 30, 2017, our management believes that there are no material inaccuracies or omissions of material fact in the Company's financial statements and, to the best of its knowledge, believes that the consolidated financial statements for the three and nine months ended September 30, 2017 fairly present in all material respects the Company's financial position, results of operations, and cash flows in accordance with accounting principles generally accepted in the U.S.

During the period covered by this Quarterly Report on Form 10-Q, we initiated an active program to: (a) hire additional employees and upgrade certain accounting positions to provide further support to our finance and accounting team; (b) provide additional functional and system training to employees; (c) document and formalize our accounting policies and internal control processes and to help strengthen supervisory reviews by our management; and (d) design and implement monthly manual controls to manage our financial reporting close processes and to help ensure timely preparation of financial statements. Although we believe that these corrective steps will enable management to conclude that the internal controls over our financial reporting are effective at year end, we cannot provide assurance that these steps will be sufficient and we may be required to expend additional resources to remediate the material weakness. A failure to maintain effective internal controls could cause a delay in compliance with our reporting obligations, SEC rules and regulations or Section 404 of the Sarbanes Oxley Act of 2002, which could subject us to a variety of administrative sanctions, including, but not limited to, SEC enforcement action, ineligibility for short form registration, the suspension or delisting of our common stock from the stock exchange on which it is listed and the inability of registered broker-dealers to make a market in our common stock, which could adversely affect our business and the trading price of our common stock.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds.***

There were no unregistered sales of the Company's equity securities during the three-month period ended September 30, 2017 that were not previously disclosed in a Current Report on Form 8-K.

Item 3. ***Defaults Upon Senior Securities.***

None.

Item 4. ***Mine Safety Disclosures.***

Not applicable.

Item 5. ***Other Information.***

None.

Item 6. ***Exhibits.***

Exhibit No.	Description
2.1*	Agreement and Plan of Merger, dated March 27, 2015, by and among Novatel Wireless, Inc., Duck Acquisition, Inc., R.E.R. Enterprises, Inc., the stockholders of R.E.R. Enterprises, Inc. and Ethan Ralston, as the representative of the stockholders of R.E.R. Enterprises, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed April 1, 2015).
2.2	Amendment No. 1 to Agreement and Plan of Merger, dated January 5, 2016, by and among Novatel Wireless, Inc., Duck Acquisition, Inc., R.E.R. Enterprises, Inc., certain stockholders of R.E.R. Enterprises, Inc. and Ethan Ralston, as the representative of the R.E.R. stockholders (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed January 11, 2016).
2.3*	Transaction Implementation Agreement, dated June 18, 2015, by and between Novatel Wireless, Inc. and DigiCore Holdings Limited (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed June 24, 2015).
2.4*	Asset Purchase Agreement, dated April 11, 2016, by and among Novatel Wireless Inc. and Telit Technologies (Cyprus) Limited and Telit Wireless Solutions, Inc. (incorporated by reference to Exhibit 2.5 to the Company's Quarterly Report on Form 10-Q, filed May 10, 2016).
2.5	Final Resolution Letter Agreement, dated September 29, 2016, by and among Novatel Wireless Inc. and Telit Technologies (Cyprus) Limited and Telit Wireless Solutions, Inc. (incorporated by reference to Exhibit 2.5 to the Company's Quarterly Report on Form 10-Q, filed November 9, 2016).
2.6*	Stock Purchase Agreement, dated September 21, 2016, by and among Novatel Wireless, Inc., Inseego Corp. (formerly Vanilla Technologies, Inc.), T.C.L. Industries Holdings (H.K.) Limited and Jade Ocean Global Limited (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed September 22, 2016).
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed November 9, 2016).
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed November 9, 2016).
10.1**	Credit Agreement, dated as of August 23, 2017, by and among Inseego Corp. and certain of its direct and indirect subsidiaries, Cantor Fitzgerald Securities, as Agent, and certain funds managed by Highbridge Capital Management, LLC, as Lenders.
10.2**	Security and Pledge Agreement, dated as of August 23, 2017, by and among Inseego Corp and certain of its direct and indirect subsidiaries, as Guarantors, and Cantor Fitzgerald Securities, as Agent.
10.3**	Note Purchase Agreement, dated as of August 23, 2017, by and among Inseego Corp., 1992 MSF International LTD. and 1992 Tactical Credit Master Fund, L.P.
10.4	Offer Letter, dated August 11, 2017, by and between the Company and Stephen Smith with an employment start date of August 21, 2017 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed August 21, 2017).
10.5	Change in Control and Severance Agreement, effective August 21, 2017, by and between the Company and Stephen Smith (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed August 21, 2017).
10.6	Form of Indemnification (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed August 21, 2017).
10.7**	2017 (Second Half) Inseego Corporate Bonus Plan.
10.8**	Amendment to Offer Letter, dated October 26, 2017, by and between the Company and Dan Mondor.
31.1**	Certification of our Principal Executive Officer adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2**	Certification of our Principal Financial Officer adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit No.	Description
101**	The following financial statements and footnotes from the Inseego Corp. Quarterly Report on Form 10-Q for the quarter ended September 30, 2017 formatted in eXtensible Business Reporting Language (XBRL): (i) Condensed Consolidated Balance Sheets; (ii) Condensed Consolidated Statements of Operations; (iii) Condensed Consolidated Statements of Comprehensive Loss; (iv) Condensed Consolidated Statements of Cash Flows; and (v) the Notes to Condensed Consolidated Financial Statements.
*	Certain schedules and exhibits to this agreement have been omitted in accordance with Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished supplementally to the SEC upon request.
**	Filed herewith.

SIGNATURES

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

Date: November 7, 2017

Inseego Corp.

By: /s/ DAN MONDOR

Dan Mondor

Chief Executive Officer

By: /s/ STEPHEN SMITH

Stephen Smith

Chief Financial Officer

Exhibit 10.1

CREDIT AGREEMENT

Dated as of August 23, 2017

among

INSEEGO CORP.,

as the Borrower,

CERTAIN SUBSIDIARIES OF THE BORROWER PARTY HERETO,

as the Guarantors,

THE LENDERS PARTY HERETO

and

CANTOR FITZGERALD SECURITIES,

as Administrative Agent

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CREDIT AGREEMENT

This CREDIT AGREEMENT is entered into as of August 23, 2017, among INSEEGO CORP., a Delaware corporation (the "Borrower"), the Guarantors (as defined herein) party hereto from time to time, each of the Lenders (as defined herein) from time to time party hereto and Cantor Fitzgerald Securities as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent").

PRELIMINARY STATEMENTS

WHEREAS, the Borrower has requested that the Lenders make term loans to the Borrower on the Closing Date in an aggregate principal amount of $48,000,000.

WHEREAS, the Lenders have agreed to make such term loans to the Borrower and to provide the term loan facility evidenced by this Agreement as of the Closing Date, in each case on the terms and subject to the conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING TERMS

1.1 Defined Terms.

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

"Acquisition" means the acquisition, whether through a single transaction or a series of related transactions, of (a) a majority of the Voting Stock or other controlling ownership interest in another Person (including the purchase of an option, warrant or convertible or similar type security to acquire such a controlling interest at the time it becomes exercisable by the holder thereof), whether by purchase of such equity or other ownership interest or upon the exercise of an option or warrant for, or conversion of securities into, such equity or other ownership interest, or (b) assets of another Person which constitute all or substantially all of the assets of such Person or of a division, line of business or other business unit of such Person.

"Additional Lender" has the meaning specified in Section 2.6(d).

"Administrative Agent" has the meaning specified in the introductory paragraph hereto.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 1.1(b), or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders, which office may include any Affiliate of the Administrative Agent or any domestic or foreign branch of the Administrative Agent or such Affiliate.

"Administrative Questionnaire" means an Administrative Questionnaire in substantially the form of Exhibit G or any other form approved by the Administrative Agent.

"Affiliate" means, 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.

"Affiliate Transaction" has the meaning specified in Section 7.8.

"Agents" means the Administrative Agent and the Collateral Agent.

"Agreement" means this Credit Agreement.

"Applicable Rate" means, for any day, (i) in the case of Eurodollar Rate Loans, 7.625% per annum and (ii) in the case of Base Rate Loans, 6.625% per annum.

"Approved Fund" means, with respect to any Lender, any Fund that is administered or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of an entity that administers or manages such Lender.

"Assignment and Assumption" means an Assignment and Assumption Agreement substantially in the form of Exhibit E.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capitalized Lease of such Person, the capitalized amount thereof with respect to any Person that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease or other agreement or instrument were accounted for as a Capitalized Lease, (c) all Synthetic Debt of such Person, (d) in respect of any Securitization Transaction, the outstanding principal amount of such financing, after taking into account reserve accounts and making appropriate adjustments, determined by the Required Lenders in their reasonable judgment and (e) in respect of any Sale and Leaseback Transaction, the present value (discounted in accordance with GAAP at the debt rate implied in the applicable lease) of the obligations of the lessee for rental payments during the term of such lease.

"Audited Financial Statements" means the audited Consolidated balance sheet of the Borrower and its Subsidiaries for the fiscal year ended December 31, 2016, and the related Consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of the Borrower and its Subsidiaries, including the notes thereto.

"Bail-In Action" means 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" means, 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 provisions of Title 11 of the United States Code, 11 USC §§ 101 et seq., as amended, or any similar federal or state law for the relief of debtors.

"Base Rate" means for any day a fluctuating rate of interest per annum equal to the highest of (a) the Federal Funds Rate plus one-half of one percent (0.50%), (b) the rate last quoted by The Wall Street Journal (or another national publication selected by the Administrative Agent and approved by the Required Lenders) as the U.S. "Prime Rate" and (c) the Eurodollar Rate plus 1.00%; provided, that, notwithstanding the foregoing, for purposes of this Agreement, the Base Rate shall in no event be less than 2.00% at any time.

"Base Rate Loan" means a Loan that bears interest based on the Base Rate.

"Borrower" has the meaning specified in the introductory paragraph hereto.

"Borrowing" means the borrowing of the Loans pursuant to Section 2.1.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the State of California or New York and, if such day relates to a Eurodollar Rate Loan, means any such day that is also a London Banking Day.

"Capital Expenditures" means, with respect to any Person for any period, any expenditure (whether paid in cash or accrued as a liability) in respect of the purchase or other acquisition of any fixed or capital asset (excluding normal replacements and maintenance which are properly charged to current operations and such made with the proceeds from dispositions or divestitures of fixed or capital assets within ninety (90) days of such disposition or divestitures (to the extent not required to be prepaid pursuant to Section 2.5(b))).

"Capitalized Leases" means all leases that have been or should be, in accordance with GAAP, recorded as capitalized leases.

"Cash Equivalents" means any of the following types of Investments, to the extent owned by the Borrower or any of its Subsidiaries free and clear of all Liens (other than Permitted Liens):

(a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than three hundred sixty days (360) days from the date of acquisition thereof; provided that the full faith and credit of the United States is pledged in support thereof;

(b) marketable direct obligations issued or fully guaranteed by any state of the United States or any political subdivision of any such state or any public instrumentality thereof having maturities of not more than three hundred sixty (360) days from the date of acquisition thereof and having one of the two highest ratings obtainable from either S&P or Moody's;

(c) time deposits with, or insured certificates of deposit or bankers' acceptances of, any commercial bank that (i) is organized under the laws of the United States, any state

thereof or the District of Columbia or 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, and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (d) of this definition and (iii) has combined capital and surplus of at least $1,000,000,000, in each case with maturities of not more than one hundred eighty (180) days from the date of acquisition thereof;

(d) commercial paper issued by any Person organized under the laws of any state of the United States and rated at least "Prime-1" (or the then equivalent grade) by Moody's or at least "A-1" (or the then equivalent grade) by S&P, in each case with maturities of not more than one hundred eighty (180) days from the date of acquisition thereof; and

(e) Investments, classified in accordance with GAAP as current assets of the Borrower or any of its Subsidiaries, in money market investment programs registered under the Investment Company Act of 1940, which are administered by financial institutions that have the highest rating obtainable from either Moody's or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (a), (b), (c) and (d) of this definition.

"CFC" means a Person that is a controlled foreign corporation under Section 957 of the Code.

"Change in Law" means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) 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.

"Change of Control" means an event or series of events by which:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a 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 (such right, an "option right")), directly or indirectly, of more than 50% of the Equity Interests of the Borrower entitled to vote for members of the board of directors

or equivalent governing body of the Borrower on a fully-diluted basis (and taking into account all such securities that such "person" or "group" has the right to acquire pursuant to any option right);

(b) the Borrower shall dispose of all or substantially all of its assets and its Subsidiaries' assets (other than all or a portion of the MiFi Business);

(c) the Borrower ceases to own and control, directly or indirectly, free and clear of all Liens (other than Permitted Liens) 100% of the Equity Interests of (x) each Subsidiary that is a Guarantor on the Closing Date and (y) each other Subsidiary that becomes a Guarantor following the Closing Date (in each case, other than directors' qualifying shares, as may be required by applicable Law, and other than as a result of a transaction permitted by Section 7.4);

(d) the closing of an exchange of the Equity Interests of the Borrower for the Equity Interests of any other Person or Persons (but excluding any such exchange pursuant to which the Persons that "beneficially owned" (as determined pursuant to Rule 13d-3 under the Securities Exchange Act of 1934), directly or indirectly, the Equity Interests of the Borrower immediately prior to such transaction are substantially identical to the Persons that "beneficially own", directly or indirectly, more than 50% of the Equity Interests of such surviving Person immediately after such transaction) or any liquidation or dissolution, or the merger of consolidation of, any Loan Party with or into another Person unless permitted by Section 7.4; or

(e) a "fundamental change", "change of control" or any comparable term under, and as defined in, the Convertible Senior Notes or other Indebtedness in excess of the Threshold Amount.

"Closing Date" means the date hereof.

"Code" means the Internal Revenue Code of 1986.

"Collateral" means all of the "Collateral" and "Mortgaged Property" referred to in the Collateral Documents and all of the other property that is or is intended under the terms of the Collateral Documents to be subject to Liens in favor of the Collateral Agent for the benefit of the Secured Parties.

"Collateral Agent" means Cantor Fitzgerald Securities in its capacity as collateral agent for the benefit of the Secured Parties under the Collateral Documents.

"Collateral Documents" means, collectively, the Security Agreement, the Mortgages, each Joinder Agreement, each of the mortgages, collateral assignments, security agreements, pledge agreements or other similar agreements delivered to the Collateral Agent pursuant to Section 6.13 or Article IV, and each of the other agreements, instruments or documents that creates or purports to create a Lien in favor of the Collateral Agent for the benefit of the Secured Parties.

"Commitment" means, with respect to each Lender, the commitment of such Lender to make term loans (including in respect of the Exchanged Loans) hereunder, in each case as such Dollar amounts are set forth beside such Lender's name under the applicable heading on Schedule 1.1(a), in the Assignment and Assumption pursuant to which such Lender became a Lender under this Agreement or, in the case of any Incremental Term Loan, the Incremental Term Commitment of such Lender set forth in the applicable Increase Joinder, in each case as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with this Agreement. The aggregate Commitments of the Lenders on the Closing Date shall be $48,000,000.

"Compliance Certificate" means a certificate substantially in the form of Exhibit A.

"Consolidated" means, when used with reference to financial statements or financial statement items of the Borrower and its Subsidiaries or any other Person, such statements or items on a consolidated basis in accordance with the consolidation principles of GAAP.

"Consolidated EBITDA" means, with respect to any relevant Measurement Period, the sum of:

(a) Borrower's and its Subsidiaries' consolidated net earnings (or loss), minus

(b) Without duplication, the sum of the following amounts for such period to the extent included in determining consolidated net earnings (or loss) for such period:

(i) any extraordinary, unusual, or non-recurring gains,

(ii) interest income,

(iii) any software development costs to the extent capitalized during such period;

(iv) exchange, translation, or performance gains relating to any hedging transactions or foreign currency fluctuations,

(v) any gain from the revaluation of warrants, including the warrant issued by Novatel Wireless, Inc. to HC2 Holdings Inc.; and

(vi) income arising by reason of the application of FAS 141R,

plus

(c) Without duplication, the sum of the following amounts for such period to the extent included in determining consolidated net earnings (or loss) for such period:

(i) any extraordinary, unusual, or non-recurring non-cash losses,

(ii) interest expense,

(iii) tax expense based on income, profits or capital, including federal, foreign, state, franchise and similar taxes (and for the avoidance of doubt, specifically excluding any sales taxes or any other taxes held in trust for a Governmental Authority),

(iv) depreciation and amortization for such period,

(v) with respect to any Permitted Acquisitions after the Closing Date: (1) purchase accounting adjustments, including, without limitation, a dollar for dollar adjustment for that portion of revenue that would have been recorded in the relevant period had the balance of deferred revenue (unearned income) recorded on the closing balance sheet and before application of purchase accounting not been adjusted downward to fair value to be recorded on the opening balance sheet in accordance with GAAP purchase accounting rules; and (2) non-cash adjustments in accordance with GAAP purchase accounting rules under FASB Statement No. 141 and EITF Issue No. 01-3, in the event that such an adjustment is required by Borrower's independent auditors, in each case, as determined in accordance with GAAP,

(vi) transactions costs incurred in connection with a Permitted Acquisition, but not to exceed $1,000,000 in the aggregate during any such period,

(vii) non-cash fees, costs, charges and expenses in respect of earn-outs incurred in connection with any Permitted Acquisition to the extent permitted to be incurred under this Agreement that are required by the application of FAS 141R to be and are expensed by Borrower and its Subsidiaries,

(viii) any loss from the revaluing of warrants, including the warrant issued to HC2 Holdings Inc.,

(ix) non-cash compensation expense (including deferred non-cash compensation expense), or other non-cash expenses or charges, arising from the sale or issuance of Equity Interests, the granting of stock options, and the granting of stock appreciation rights and similar arrangements (including any repricing, amendment, modification, substitution, or change of any such Equity Interests, stock option, stock appreciation rights, or similar arrangements) minus the amount of any such expenses or charges when paid in cash to the extent not deducted in the computation of net earnings (or loss),

(x) non-cash restructuring charges and other restructuring charges incurred prior to the Closing Date,

(xi) non-cash exchange, translation, or performance losses relating to any hedging transactions or foreign currency fluctuations,

(xii) non-cash losses on sales of fixed assets or write-downs of fixed or intangible assets (including, but not limited to, the write-down of intangible assets relating to any settlement agreement of any litigation),

(xiii) fees, costs, and expenses actually incurred in connection with (a) the entering into the Loan Documents prior to one hundred eighty (180) days after the Closing Date, (b) the sale of the MiFi Business, including the exchange involving the Convertible Senior Notes, and (c) dispositions and divestitures permitted under this Agreement or otherwise consented to by the Required Lenders,

(xiv) expenses arising from losses incurred from patent suits or litigation incurred during such period in an amount not to exceed (a) $1,000,000 in any 12 consecutive month period plus (b) the actual amount expensed in connection with the litigation with InterDigital Patent Holdings, Inc. during such Measurement Period, not to exceed $2,800,000 in the aggregate, and

(xv) costs and expenses actually incurred in respect of: (a) severance, in connection with the dismissal of employees, (b) closing of facilities, and (c) other related expenses, in each case resulting from the restructuring and integration of business operations in an aggregate amount, for all of clauses (a), (b), and (c), not to exceed $1,000,000 in any fiscal year of the Borrower;

in each case, determined on a consolidated basis in accordance with GAAP.

"Consolidated Interest Charges" means, for any Measurement Period, the sum of (a) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, (b) all interest paid or payable with respect to discontinued operations and (c) the portion of rent expense under Capitalized Leases that is treated as interest in accordance with GAAP, in each case, of or by the Borrower and its Subsidiaries on a Consolidated basis for the most recently completed Measurement Period.

"Consolidated Interest Coverage Ratio" means as of any date of determination, the ratio of (a) Consolidated EBITDA for the most recently completed Measurement Period to (b) Consolidated Interest Charges for the most recently completed Measurement Period.

"Contingent Obligation" means, with respect to any Person, any contingent obligation of such Person calculated in conformity with GAAP, and in any event shall include any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person against loss, including, without limitation, any comfort letter, operating agreement, take or pay contract or the obligations of any such Person as general partner of a partnership with respect to the liabilities of the partnership.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, contract, indenture, mortgage, deed of trust, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means 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 ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto. Without limiting the generality of the foregoing, a Person shall be deemed to be Controlled by another Person if such other Person possesses, directly or indirectly, power to vote ten percent (10%) or more of the securities having ordinary voting power for the election of directors, managing general partners or the equivalent.

"Convertible Notes Documents" means that certain Indenture between the Borrower and Wilmington Trust, National Association, as trustee, dated as of January 9, 2017 and all other agreements, instruments and other documents pursuant to which the Convertible Senior Notes have been or will be issued or otherwise setting forth the terms of the Convertible Senior Notes.

"Convertible Senior Notes" means the 5.50% Convertible Senior Notes of the Borrower due June 15, 2022 issued and sold on January 9, 2017 pursuant to the Convertible Notes Documents.

"Ctrack Business" means the Ctrack fleet business of the Borrower and its Subsidiaries.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, 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.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means (a) with respect to any period on or prior to the Maturity Date (i) with respect to any Obligation for which a rate is specified, a rate per annum equal to five percent (5.00%) in excess of the rate otherwise applicable thereto and (ii) with respect to any Obligation for which a rate is not specified or available, a rate per annum equal to the Base Rate plus the Applicable Rate plus five percent (5.00%), and (b) with respect to any period after the Maturity Date (including following any acceleration of the Loans) (i) with respect to any Obligation for which a rate is specified, a rate per annum equal to twelve and one-half percent (12.50%) in excess of the rate otherwise applicable thereto and (ii) with respect to any Obligation for which a rate is not specified or available, a rate per annum equal to the Base Rate plus the Applicable Rate plus twelve and one-half percent (12.50%) in each case, to the fullest extent permitted by applicable Law.

"Designated Jurisdiction" means any country or territory to the extent that such country or territory is the subject of any Sanction.

"Disposition" or "Dispose" means the sale, conveyance, assignment, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any property by any Loan

Party or Subsidiary (or the granting of any option or other right to do any of the foregoing), including any sale, conveyance, assignment, transfer, license, lease or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith, or the sale or issuance of Equity Interests in the Borrower or any Subsidiary, but excluding any (a) Involuntary Disposition and (b) the disposition of cash and Cash Equivalents in the ordinary course of business.

"Disposition Prepayment Percentage" means (a) with respect to the first $5,000,000 of Net Cash Proceeds received by the Loan Parties or their Subsidiaries from Disposition Prepayment Events following the Closing Date, 0%, (b) with respect to the aggregate amount of Net Cash Proceeds received by the Loan Parties or their Subsidiaries from Disposition Prepayment Events following the Closing Date that is in excess of $5,000,000 but is less than or equal to $20,000,000, 50% and (c) with respect to the aggregate amount of Net Cash Proceeds received by the Loan Parties or their Subsidiaries from Disposition Prepayment Events following the Closing Date that is in excess of $20,000,000, 100%, in each case after giving effect to the applicable transaction.

"Disposition Prepayment Event" has the meaning specified in Section 2.5(b).

"Dollar" and "$" mean lawful money of the United States.

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of any political subdivision of the United States.

"EEA Financial Institution" means (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" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means 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.

"Environmental Laws" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling,

transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Environmental Permit" means any permit, approval, identification number, license or other authorization required under any Environmental Law.

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

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension 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; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any ERISA Affiliate or (i) a failure by the Borrower or any ERISA Affiliate to meet all applicable requirements under the Pension Funding Rules in respect of a Pension Plan, whether or not waived, or the failure by the Borrower or any ERISA Affiliate to make any required contribution to a Multiemployer Plan.

"Eurodollar Rate" means for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the London Interbank Offered Rate ("LIBOR"), or a comparable or successor rate which rate is selected by the Administrative Agent and approved by the Required Lenders, 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 and approved by the Required Lenders from time to time) (in such case, the "LIBOR Rate") at or about 11:00 a.m., London time, two (2) 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; provided that (i) to the extent a comparable or successor rate is approved by the Required Lenders 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 and (ii) notwithstanding the foregoing, for purposes of this Agreement, the Eurodollar Rate shall in no event be less than 1.00% at any time.

"Eurodollar Rate Loan" means a Loan that bears interest at a rate based the Eurodollar Rate.

"Event of Default" has the meaning specified in Section 8.1.

"Exchanged Loans" has the meaning specified in Section 2.3.

"Excluded Equity Interests" means, collectively (a) any Voting Stock of any CFC, solely to the extent that such Voting Stock represents more than 65% of the outstanding Voting Stock of such CFC and (b) any Equity Interests of any Subsidiary of a CFC.

"Excluded Property" means, with respect to any Loan Party, (a) any Real Estate other than Material Real Estate, (b) any Excluded Equity Interests, (c) any United States intent-to-use trademark applications prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law, provided that upon submission and acceptance by the United States Patent and Trademark Office of an amendment to allege use pursuant to 15 U.S.C. Section 1060(a) (or any successor provision), such intent-to-use trademark application shall be considered Collateral and (d) any rights or interest in any General Intangible, Instrument, contract, lease, permit, license, or license agreement covering real or personal property of any Loan Party if under the terms of such General Intangible, Instrument, contract, lease, permit, license, or license agreement, or applicable law with respect thereto, the grant of a security interest or lien therein is prohibited as a matter of law or under the terms of such General Intangible, Instrument, contract, lease, permit, license, or license agreement, and the Equipment and Goods, if any, which are the subject thereof, and such prohibition or restriction has not been waived or the consent of the other party to such General Intangible, Instrument, contract, lease, permit, license, or license agreement has not been obtained (provided, that, (A) the foregoing exclusions of this clause (d) shall in no way be construed (1) to apply to the extent that any described prohibition or restriction is unenforceable under the UCC or other applicable Law (including Debtor Relief Laws) or principles of equity, (2) to apply to the extent that any consent or waiver has been obtained that would permit the Collateral Agent's security interest or lien notwithstanding the prohibition or restriction on the pledge of such General Intangible, Instrument, contract, lease, permit, license, or license agreement or to the extent the Person in whose favor the applicable contractual restriction runs is to the Borrower or any Subsidiary or (3) to limit, impair, or otherwise affect any of the Collateral Agent's continuing security interests in and liens upon any rights or interests of the Borrower in or to (x) monies due or to become due

under or in connection with any described General Intangible, Instrument, contract, lease, permit, license, license agreement, or stock (including any accounts or stock), or (y) any proceeds from the sale, license, lease, or other dispositions of any such General Intangible, Instrument, contract, lease, permit, license, license agreement, or stock).

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loans or Commitment or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 3.1, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.1(e), and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain Credit Agreement, dated as of May 8, 2017, between Inseego Corp., as the borrower, the guarantors party thereto from time to time and Lakestar Semi Inc., as lender.

"Exit Fee" means a fee due and payable to each Lender on each Loan Payment Date in an amount equal to 1.5% of the principal balance of the Loans of such Lender being prepaid or repaid on such date; provided that the Exit Fee shall not be payable in respect of the Permitted Payment Amount.

"Extraordinary Receipt" means any cash received by or paid to or for the account of any Person not in the ordinary course of business, including, but not limited to, tax refunds, pension plan reversions, proceeds of insurance (other than proceeds of business interruption insurance to the extent such proceeds constitute compensation for lost earnings and proceeds of Involuntary Dispositions), non-ordinary course proceeds from settlements, arbitral awards and judgments, indemnity payments and any purchase price adjustments; provided, however, that an Extraordinary Receipt shall not include cash receipts from proceeds or payments of any of the foregoing to the extent that such are received by any Person (i) and applied to pay (or to reimburse such Person for its prior payment of) the reasonable and documented costs and expenses paid in cash by such Person with respect thereto or (ii) in connection with collection actions instituted by such Person against a third party in connection with accounts receivable owed to such Person; provided further that any cash received by or paid to the Borrower or any of its Subsidiaries from the sale or issuance of common Equity Interests of the Borrower shall not constitute an "Extraordinary Receipt" hereunder.

"Facility" means at any time, (a) on or prior to the Closing Date, the aggregate amount of the Commitments at such time and (b) thereafter, the aggregate principal amount of the Loans outstanding at such time.

"Facility Termination Date" means the date as of which (a) the Commitments have terminated and (b) all Secured Obligations have been paid in full in cash (other than contingent indemnification obligations for which no claim has been made).

"Fair Market Value" shall mean, with respect to any asset on any date of determination, the value of the consideration obtainable in a sale of such asset at such date of determination assuming a sale by a willing seller to a willing purchaser dealing at arm's length and arranged in an orderly manner over a reasonable period of time having regard to the nature and characteristics of such asset, as reasonably determined by the Borrower in good faith; provided that with respect to any such asset with a Fair Market Value determined in accordance with this definition to be at least $500,000, the Administrative Agent shall have received (for distribution to the Lenders) a certificate from a Responsible Officer setting forth in reasonable detail the basis for such determination in form and substance reasonably satisfactory to the Required Lenders.

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to entered into pursuant to Section 1471(b)(1) of the Code and any intergovernmental agreement, treaty, regulations, guidance or any other agreement entered into in order to comply with, facilitate, supplement or implement the foregoing.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"Fee Letters" means, collectively, (a) that certain Fee Letter, dated as of the date hereof, between the Borrower and the Initial Lenders and (b) that certain Fee Letter, dated as of the date hereof, between the Borrower and the Administrative Agent.

"Feeney Earnout" means the outstanding payment obligations, if any, to the former stockholders of R.E.R. Enterprises, Inc. (dba Feeney Wireless) pursuant to that certain Agreement and Plan of Merger dated as of March 27, 2015, by and among Inseego Corp. (as assignee of Novatel Wireless, Inc.), R.E.R. Enterprises, Inc., the then stockholders of R.E.R. Enterprises, Inc., and the other parties thereto, as amended.

"Flood Hazard Property" means any Mortgaged Property with buildings or other structures in an area designated by the Federal Emergency Management Agency as having special flood hazards.

"Flood Laws" means, 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 (the "Flood Disaster Protection Act"), (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, and any regulations promulgated thereunder, as now or hereafter in effect or any successor statute or regulations thereto.

"Flood Notice" has the meaning set forth in Section 6.13(b).

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fund" means any Person (other than a natural 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 activities.

"GAAP" means generally accepted accounting principles in the United States set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession) including, without limitation, the FASB Accounting Standards Codification, that are applicable to the circumstances as of the date of determination, consistently applied and subject to Section 1.3.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, 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, without limitation, any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness of the kind described in clauses (a) through (g) of the definition thereof or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly,

and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness of the kind described in clauses (a) through (g) of the definition thereof or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed or expressly undertaken by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guaranteed Obligations" has the meaning set forth in Section 9.1.

"Guarantors" means, collectively, the Subsidiaries of the Borrower as are or may from time to time become parties to this Agreement pursuant to Section 6.12 or Article IV.

"Guaranty" means, collectively, the Guarantee made by the Guarantors under Article IX in favor of the Secured Parties, together with each other guaranty delivered pursuant to Section 6.12.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, natural gas, natural gas liquids, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, toxic mold, infectious or medical wastes and all other substances, wastes, chemicals, pollutants, contaminants or compounds of any nature in any form regulated pursuant to any Environmental Law.

"Increase Effective Date" has the meaning specified in Section 2.6(a).

"Increase Joinder" has the meaning specified in Section 2.6(e).

"Incremental Amount" means, at any time, such amount of Incremental Term Loans such that the aggregate principal amount of all outstanding Incremental Term Loans after giving effect to such Incremental Term Loans does not exceed $10,000,000.

"Incremental Request" has the meaning specified in Section 2.6(a).

"Incremental Term Commitments" has the meaning specified in Section 2.6(c)(iii).

"Incremental Term Loans" means, any loans made pursuant to any Incremental Term Commitments.

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount of all direct or Contingent Obligations of such Person arising under letters of credit, bankers' acceptances, bank guaranties, surety bonds and similar instruments;

(c) net obligations of such Person under any Swap Contract;

(d) all obligations (including, without limitation, earnout obligations to the extent due and payable) of such Person to pay the deferred purchase price of property or services (other than accounts payable arising in the ordinary course of such Person's business payable on terms customary in the trade);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all Attributable Indebtedness in respect of Capitalized Leases and Synthetic Lease Obligations of such Person;

(g) all obligations of such Person to, prior to December 15, 2020, purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and

(h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of a Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" has the meaning specified in Section 10.4(b).

"Information" has the meaning specified in Section 10.7.

"Initial Lenders" means, collectively (a) 1992 Tactical Credit Master Fund, L.P. and (b) 1992 MSF International Ltd. each in its capacity as a Lender hereunder as of the Closing Date.

"Intellectual Property" has the meaning set forth in the Security Agreement.

"Intercompany Debt" has the meaning specified in Section 7.2(d).

"Interest Payment Date" means, the last Business Day of each calendar month and the Maturity Date.

"Interest Period" means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or continued as a Eurodollar Rate Loan and ending on the date three (3) months thereafter; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person (including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor guaranties Indebtedness of such other Person), or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person which constitute all or substantially all of the assets of such Person or of a division, line of business or other business unit of such Person. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment, but decreased to the extent of any dividends received in relation to, or repayments of, such Investments.

"Involuntary Disposition" means any loss of, damage to or destruction of, or any condemnation or other taking for public use of, any property of any Loan Party or any Subsidiary.

"IRS" means the United States Internal Revenue Service.

"Joinder Agreement" means a joinder agreement substantially in the form of Exhibit B executed and delivered in accordance with the provisions of Section 6.12.

"Laws" means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, 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, governmental licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lenders" means, collectively (a) each Initial Lender, (b) any other Person that shall have become a party hereto after the Closing Date pursuant to an Assignment and Assumption and (c) each Additional Lender that shall have become party hereto after the Closing Date pursuant to an Increase Joinder, in each case, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

"LIBOR" has the meaning specified in the definition of Eurodollar Rate.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property and any financing lease having substantially the same economic effect as any of the foregoing).

"Liquidity" means unrestricted cash and Cash Equivalents of the Loan Parties that are (a) held in an account that is the subject of a Qualifying Control Agreement; provided that a Qualifying Control Agreement shall not be required for 30 days after the Closing Date (or such later date as the Required Lenders shall agree), (b) not subject to any Lien senior to the Liens of the Collateral Agent and (c) not held in a restricted account, a payroll account, tax account, trust account, pension account, royalty account or similar type of account.

"Loan Documents" means, collectively, (a) this Agreement, (b) the Guaranty, (c) the Collateral Documents, (d) each Joinder Agreement, (e) the Perfection Certificate, (f) the Fee Letters and (g) all other certificates, agreements, documents and instruments executed and delivered, in each case, by or on behalf of any Loan Party pursuant to the foregoing.

"Loan Parties" means, collectively, the Borrower and each Guarantor.

"Loan Payment Date" shall mean (a) any date that all or a portion of the Loans are prepaid or repaid by the Borrower pursuant to Section 2.5 or 2.7 or otherwise in accordance with this Agreement (other than in accordance with the last proviso to Section 10.1 and with Section 10.15)

and (b) any other date on which all or a portion of the Loans become due and payable in accordance with Section 8.2.

"Loan Payment Fees" means, collectively, the Prepayment Fee and the Exit Fee.

"Loans" means the term loans made by the Lenders to the Borrower pursuant to this Agreement, including for the avoidance of doubt, Loans made pursuant to Section 2.1 and the Incremental Term Loans.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Master Agreement" has the meaning set forth in the definition of "Swap Contract."

"Material Adverse Effect" means, individually or in the aggregate, (a) a material adverse change in, or a material adverse effect upon, the operations (including results of operation), business, properties, liabilities (actual or contingent) or condition (financial or otherwise) of the Borrower or the Borrower and its Subsidiaries taken as a whole; (b) a material impairment of the rights, remedies or benefits of any Agent or any of the Lenders under any Loan Document (including a material adverse effect upon a significant portion of the Collateral or the validity, perfection or priority of the Collateral Agent's Liens on such Collateral), or of the ability of the Loan Parties to perform their obligations under the Loan Documents; or (c) a material adverse effect upon the legality, validity, binding effect, rights, remedies, benefits or enforceability against the Loan Parties of the Loan Documents.

"Material Real Estate" means any Real Estate that has a Fair Market Value in excess of $500,000, as reasonably determined by the Borrower based on available information including book value, assessed value, existing title policy amounts and existing appraisals.

"Maturity Date" means August 23, 2020; provided that the Maturity Date with respect to any Incremental Term Loan shall mean the Incremental Term Loan Maturity Date specified with respect thereto in the applicable Increase Joinder.

"Measurement Period" means, at any date of determination, the most recently completed four (4) fiscal quarters of the Borrower (or, for purposes of determining Pro Forma Compliance or the Applicable Rate, the most recently completed four (4) fiscal quarters of the Borrower for which financial statements have been delivered pursuant to Section 6.1).

"MiFi Business" means Novatel Wireless Inc.'s mobile broadband business, which includes its MiFi branded hotspots and USB modem product lines.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" or "Mortgages" means, individually and collectively, as the context requires, each of the fee mortgages, deeds of trust or similar instruments executed by a Loan Party that purports to grant a Lien to the Collateral Agent for the benefit of the Secured Parties in any Mortgaged Properties, in form and substance satisfactory to the Collateral Agent and the Required Lenders.

"Mortgaged Property" means any owned real property of a Loan Party that is or will become encumbered by a Mortgage in favor of the Collateral Agent for the benefit of the Secured Parties in accordance with the terms of this Agreement.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Net Cash Proceeds" means the aggregate cash or Cash Equivalents proceeds received (including any cash received in respect of any non-cash proceeds (including, without limitation, the monetization of notes receivables), but only as and when received), directly or indirectly, by any Loan Party or any Subsidiary in respect of any Disposition or Involuntary Disposition, net of (a) direct costs incurred in connection therewith (including, without limitation, legal, accounting and investment banking fees and sales commissions), (b) taxes paid or payable as a result thereof, in each case to the extent, but only to the extent, that the amounts so deducted are actually paid or payable to a Person that is not an Affiliate of such Loan Party, and are properly attributable to such transaction and (c) the amount actually used to repay any Indebtedness secured by a Permitted Lien (ranking senior to any Lien of the Collateral Agent) on the related property to the extent (x) required by the terms of such Indebtedness to be so repaid or (y) failure to so repay such Indebtedness would result in a default thereunder; it being understood that "Net Cash Proceeds" shall include, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received by any Loan Party or any Subsidiary in any Disposition or Involuntary Disposition.

"New Money Loans" has the meaning specified in Section 2.3.

"NFIP" means the National Flood Insurance Program.

"Non-Consenting Lender" means 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 10.1 and (ii) has been approved by the Required Lenders.

"Note Purchase Agreement" means that certain Note Purchase Agreement, dated as of the date hereof among the Borrower, as purchaser and the Note Sellers.

"Note Sellers" means the Persons identified as sellers under the Note Purchase Agreement.

"Notice of Borrowing" means a notice of the Borrowing on the Closing Date, which shall be substantially in the form of Exhibit F or such other form as may be approved by the Administrative Agent and the Initial Lenders, appropriately completed and signed by a Responsible Officer.

"Notice of Loan Prepayment" means a notice of prepayment with respect to the Loans, which shall be substantially in the form of Exhibit D or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer.

"Novatel Convertible Notes Documents" means that certain Indenture between Novatel Wireless, Inc. and Wilmington Trust, National Association, as trustee, dated as of June 10, 2015 and all other agreements, instruments and other documents pursuant to which the Novatel Convertible Senior Notes have been or will be issued or otherwise setting forth the terms of the Novatel Convertible Senior Notes.

"Novatel Convertible Senior Notes" means the 5.50% Convertible Senior Notes of Novatel Wireless, Inc. due June 15, 2020 issued and sold on June 10, 2015 pursuant to the Novatel Convertible Notes Documents.

"Obligations" means, in each case, whether now in existence or hereafter arising (a) all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document of every kind, nature and description, direct or indirect, absolute or contingent, due or to become due, contractual or tortious, liquidated or unliquidated, and whether or not evidenced by any note and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such advances to, and debts, liabilities, obligations, covenants and duties of such Loan Party are allowed or allowable claims in such proceeding and (b) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, and including interest, expenses (including attorneys' fees), charges, commissions and fees that accrue in respect of the Loans, the Loan Payment Fees and the other obligations under the Loan Documents after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest, expenses, charges, commissions and fees are allowed or allowable claims in such proceeding.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement or limited liability company agreement (or equivalent or comparable documents with respect to any non-U.S. jurisdiction); (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction) and (d) with respect to all entities, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation

or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction).

"Other Connection Taxes" means, 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 from such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"Outstanding Amount" means, on any date, the aggregate outstanding principal amount of the Loans after giving effect to any prepayments or repayments thereof occurring on such date.

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Act" means the Pension Protection Act of 2006.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

"Perfection Certificate" means the information certificate of the Borrower and the other Loan Parties dated as of the date hereof.

"Permitted Acquisition" means an Acquisition by a Loan Party (the Person or division, line of business or other business unit of the Person to be acquired in such Acquisition shall be referred to herein as the "Target"), in each case that is a type of business (or assets used in a type of business) permitted to be engaged in by the Borrower and its Subsidiaries pursuant to the terms of this Agreement, in each case so long as:

(a) no Default or Event of Default shall then exist or would exist after giving effect thereto;

(b) the Loan Parties shall demonstrate to the reasonable satisfaction of the Required Lenders that, after giving effect to the Acquisition on a Pro Forma Basis, (i) the Loan Parties are in Pro Forma Compliance and (ii) the Consolidated Interest Coverage Ratio shall be at least 2.00:1.00, calculated using the same Measurement Period used to determine Pro Forma Compliance;

(c) the Collateral Agent shall have received (or shall receive in connection with the closing of such Acquisition) a first priority perfected security interest in all property (including, without limitation, Equity Interests) acquired with respect to the Target in accordance with the terms of Section 6.13 and the Target, if a Person, shall have executed a Joinder Agreement to the extent required by Section 6.12;

(d) if requested by the Required Lenders, the Lenders shall have received at least fifteen (15) days prior to the consummation of such Acquisition (i) a description of the material terms of such Acquisition, (ii) audited financial statements (or, if unavailable, management-prepared financial statements) of the Target for its two most recent fiscal years and for any fiscal quarters ended within the fiscal year to date and (iii) consolidated projected income statements of the Borrower and its Subsidiaries (giving effect to such Acquisition);

(e) the Target shall have positive operating cash flow less capital expenditures as determined in accordance with GAAP for the four (4) fiscal quarter period prior to the acquisition date;

(f) such Acquisition shall not be a "hostile" Acquisition and shall have been approved by the board of directors (or equivalent) and/or shareholders (or equivalent) of the applicable Loan Party and the Target;

(g) the purchase consideration payable in respect of a Permitted Acquisition (including deferred payment obligations) individually or in the aggregate, during any twelve- month period, shall not exceed $10,000,000; provided that such limit shall be $25,000,000 so long as the portion of the purchase consideration that is paid from a source other than the proceeds of Equity Interests issued after the Closing Date by the Borrower (in connection with Permitted Acquisitions) does not exceed $10,000,000;

(h) no Indebtedness will be incurred, assumed, or would exist with respect to the Borrower or its Subsidiaries as a result of such Acquisition, other than indebtedness permitted under clauses (c), (f), (k) and (n) of Section 7.2 and no Liens will be incurred, assumed or would exist with respect to the assets of the Borrower or its Subsidiaries as a result of such Acquisition other than Permitted Liens; and

(i) the assets or Equity Interests acquired (other than a de minimis amount of assets in relation to the assets being acquired) are located in the United States or the Person whose stock is being acquired is organized in a jurisdiction located within the United States, unless otherwise consented to by Required Lenders in their sole discretion.

"Permitted IP Disposition" has the meaning set forth in Section 7.5(g).

"Permitted Liens" has the meaning set forth in Section 7.1.

"Permitted Payment Amount" means the first $10,000,000 aggregate principal amount of the Loans that is repaid or prepaid following the Closing Date.

"Permitted Refinancing" means, with respect to any Person, any modification, refinancing, refunding, renewal 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 or extended except by an amount equal to unpaid accrued interest and premium thereon plus other amounts paid, and fees and expenses incurred, in connection with such modification, refinancing, refunding, renewal or extension and by an amount equal to any existing commitments unutilized thereunder, (b) other than with respect to a Permitted Refinancing in respect of Indebtedness permitted pursuant to Section 7.2(c), the Indebtedness resulting from such modification, refinancing, refunding, renewal or extension has a final maturity date equal to or later than the final maturity date of the Indebtedness being modified, refinanced, refunded, renewed or extended, (c) the Weighted Average Life to Maturity of the Indebtedness resulting from such modification, refinancing, refunding, renewal or extension shall be no shorter than the Weighted Average Life to Maturity of the Indebtedness being modified, refinanced, refunded, renewed or extended, (d) immediately after giving effect thereto, no Event of Default shall have occurred and be continuing and (e) if the Indebtedness being modified, refinanced, refunded, renewed or extended is subordinated in right of payment to the Secured Obligations, Indebtedness resulting from such modification, refinancing, refunding, renewal or extension is subordinated in right of payment to the Secured Obligations on terms at least as favorable to the Secured Parties as those contained in the documentation governing the Indebtedness being modified, refinanced, refunded, renewed or extended. For the avoidance of doubt, it is understood that a Permitted Refinancing may constitute a portion of an issuance of Indebtedness in excess of the amount of such Permitted Refinancing; provided that such excess amount is otherwise permitted to be incurred under Section 7.2.

"Permitted Transfers" means (a) Dispositions of inventory in the ordinary course of business; (b) Dispositions of property to the Borrower or any Subsidiary; provided, that if the transferor of such property is a Loan Party then the transferee thereof must be a Loan Party; (c) Dispositions of accounts receivable in connection with the collection or compromise thereof, (d) the sale or disposition of Cash Equivalents, and (e) lease, sublease, non-exclusive license and non-exclusive sublicenses of property of the Borrower or any Subsidiary in the ordinary course of business and consistent with past practice.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Borrower or any ERISA Affiliate or any such Plan to which the Borrower or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Pledged Equity" has the meaning specified in the Security Agreement.

"Prepayment Fee" shall mean a fee due and payable to each Lender on each Loan Payment Date in an amount equal to the applicable amount set forth below:

(a) if such Loan Payment Date occurs after the Closing Date and prior to the first anniversary of the Closing Date, 12.00% of the principal balance of the Loans of such Lender being repaid or prepaid;

(b) if such Loan Payment Date occurs on or after the first anniversary of the Closing Date and before the second anniversary of the Closing Date, 4.00% of the principal balance of the Loans of such Lender being repaid or prepaid; and

(c) if such Loan Payment Date occurs on or after the second anniversary of the Closing Date and before the Maturity Date, 2.00% of the principal balance of the Loans of such Lender being repaid or prepaid;

provided that, notwithstanding anything herein to the contrary, the Prepayment Fee shall not be payable in respect of the Permitted Payment Amount.

"Pro Forma Basis" and "Pro Forma Effect" means, for any Disposition of all or substantially all of a division or a line of business or for any Acquisition, whether actual or proposed, for purposes of determining compliance with the financial covenant set forth in Section 7.11, each such transaction or proposed transaction shall be deemed to have occurred on and as of the first day of the relevant Measurement Period, and the following pro forma adjustments shall be made:

(a) in the case of an actual or proposed Disposition, all income statement items (whether positive or negative) attributable to the line of business or the Person subject to such Disposition shall be excluded from the results of the Borrower and its Subsidiaries for such Measurement Period;

(b) in the case of an actual or proposed Acquisition, income statement items (whether positive or negative) attributable to the property, line of business or the Person subject to such Acquisition shall be included in the results of the Borrower and its Subsidiaries for such Measurement Period;

(c) interest accrued during the relevant Measurement Period on, and the principal of, any Indebtedness repaid or to be repaid or refinanced in such transaction shall be excluded from the results of the Borrower and its Subsidiaries for such Measurement Period; and

(d) any Indebtedness actually or proposed to be incurred or assumed in such transaction shall be deemed to have been incurred as of the first day of the applicable Measurement Period, and interest thereon shall be deemed to have accrued from such day on such Indebtedness at the applicable rates provided therefor (and in the case of interest that does or would accrue at a formula or floating rate, at the rate in effect at the time of determination) and shall be included in the results of the Borrower and its Subsidiaries for such Measurement Period.

"Pro Forma Compliance" means, with respect to any transaction, that such transaction does not cause, create or result in a Default under Section 7.11 after giving Pro Forma Effect, based upon the results of operations for the most recently completed Measurement Period to (a) such transaction and (b) all other transactions which are contemplated or required to be given Pro Forma Effect hereunder that have occurred on or after the first day of the relevant Measurement Period.

"Qualifying Control Agreement" means an agreement, among a Loan Party, a depository institution or securities intermediary and the Collateral Agent, which agreement is in form and substance acceptable to the Collateral Agent and the Required Lenders and which provides the Collateral Agent, for the benefit of the Secured Parties, with "control" (as such term is used in Article 9 of the UCC) over the deposit account(s) or securities account(s) described therein.

"Real Estate" means all real property at any time owned by the Borrower or any Subsidiary in the United States.

"Recipient" means (a) the Administrative Agent and (b) any Lender.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty (30) day notice period has been waived.

"Required Lenders" means, at any time, Lenders having or holding more than 50% of the Outstanding Amount.

"Responsible Officer" means the chief executive officer, president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party, and solely for purposes of the delivery of incumbency certificates pursuant to Article IV, the secretary or any assistant secretary of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party. To the extent requested by the Administrative Agent or the Required Lenders, each Responsible Officer will provide an incumbency certificate and to the extent requested by the Administrative Agent or the Required Lenders, appropriate authorization documentation, in form and substance satisfactory to the Administrative Agent.

"Restricted Payment" means (a) any dividend or other distribution, direct or indirect, on account of any shares (or equivalent) of any class of Equity Interests of the Borrower or any of its Subsidiaries, now or hereafter outstanding, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares (or equivalent) of any class of Equity Interests of the Borrower or any of its Subsidiaries, now or hereafter outstanding and (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of Equity Interests of any Loan Party or any of its Subsidiaries, now or hereafter outstanding.

"S&P" means Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and any successor thereto.

"Sale" means the sale by the Borrower of all outstanding shares of Novatel Wireless, Inc. pursuant to the terms of that certain Stock Purchase Agreement dated September 21, 2016 by and between the Borrower and Novatel Wireless, Inc., on the one hand, and T.C.L. Industries Holdings (H.K.) Limited and Jade Ocean Global Limited, on the other hand.

"Sale and Leaseback Transaction" means, with respect to any Loan Party or any Subsidiary, any arrangement, directly or indirectly, with any Person whereby such Loan Party or such Subsidiary shall sell or transfer any property 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.

"Sanction(s)" means any sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty's Treasury ("HMT") or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Obligations" means (a) in the case of the Borrower, all Obligations and (b) in the case of any Guarantor, such Guarantor's Guaranteed Obligations.

"Secured Parties" means, collectively, the Agents, the Lenders and the Indemnitees.

"Securities Act" means the Securities Act of 1933, including all amendments thereto and regulations promulgated thereunder.

"Security Agreement" means the security and pledge agreement, dated as of the Closing Date, executed in favor of the Collateral Agent by each of the Loan Parties.

"Securitization Transaction" means, with respect to any Person, any financing transaction or series of financing transactions (including factoring arrangements) pursuant to which such Person or any Subsidiary of such Person may sell, convey or otherwise transfer, or grant a security interest in, accounts, payments, receivables, rights to future lease payments or residuals or similar rights to payment to a special purpose subsidiary or affiliate of such Person.

"Solvency Certificate" means a solvency certificate in substantially in the form of Exhibit C.

"Solvent" and "Solvency" mean, with respect to any Person on any date of determination, that on such date (a) the present fair saleable value of the assets of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person will not have an unreasonably small

amount of capital with which to conduct business, and (e) such Person will be able to pay its debts when they mature. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Borrower.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include any Lender or any Affiliate of such Lender).

"Synthetic Debt" means, with respect to any Person as of any date of determination thereof, all obligations of such Person in respect of transactions entered into by such Person that are intended to function primarily as a borrowing of funds but are not otherwise included in the definition of "Indebtedness" or as a liability on the Consolidated balance sheet of such Person and its Subsidiaries in accordance with GAAP.

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including Sale and Leaseback Transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief

Laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"Target" has the meaning set forth in the definition of "Permitted Acquisition."

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Threshold Amount" means $500,000.

"Type" means, with respect to a Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

"UCC" means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"United States" and "U.S." mean the United States of America.

"USAC" has the meaning specified in Section 5.24(b).

"Voting Stock" means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right to so vote has been suspended by the happening of such contingency.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the sum of the products obtained by multiplying (i) 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 (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (b) the then outstanding principal amount of such Indebtedness.

"Withholding Agent" means any Loan Party and the Administrative Agent.

"Write-Down and Conversion Powers" means, 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.

1.2 Other Interpretive Provisions.

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(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 agreement, instrument or other document (including the Loan Documents and any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, amended and restated, modified, extended, restated, replaced or supplemented from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto," "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (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.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.3 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of

the outstanding principal amount thereof, and the effects of FASB ASC 825 on financial liabilities shall be disregarded.

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Required Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Without limiting the foregoing, leases shall continue to be classified and accounted for on a basis consistent with that reflected in the Audited Financial Statements for all purposes of this Agreement, notwithstanding any change in GAAP relating thereto, unless the parties hereto shall enter into a mutually acceptable amendment addressing such changes, as provided for above.

(c) Pro Forma Treatment. Each Disposition of all or substantially all of a line of business, and each Acquisition, by the Borrower and its Subsidiaries that is consummated during any Measurement Period shall, for purposes of determining compliance with the financial covenants set forth in Section 7.11, be given Pro Forma Effect as of the first day of such Measurement Period.

1.4 Rounding.

Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.5 Times of Day; Rates.

Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

No Agent or Lender warrants or accepts responsibility, neither shall any Agent or Lender have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "Eurodollar Rate" or with respect to any comparable or successor rate thereto.

1.6 UCC Terms.

Terms defined in the UCC and not otherwise defined herein shall, unless the context otherwise indicates, have the meanings provided by those definitions.

ARTICLE II
COMMITMENTS AND BORROWINGS

2.1 The Loans. Subject to the terms and conditions set forth herein and, with respect to the Exchanged Loans, the Note Purchase Agreement, each Initial Lender, severally and not jointly, agrees to make Loans to the Borrower, in Dollars, on the Closing Date in an amount equal to the Commitment of such Initial Lender to make such Loans and as provided further in Section 2.3 below. The Loans made on the Closing Date shall constitute Eurodollar Rate Loans made by the Initial Lenders on a ratable basis in accordance with their respective Commitments. Once repaid or prepaid, the Loans may not be reborrowed.

2.2 Advance and Eurodollar Rate Loan.

(a) Advances. Subject to the borrowing procedures set forth in Section 2.3 and upon satisfaction of the conditions set forth in Article IV, each Initial Lender shall make the requested funds available to the Borrower on the Closing Date by wire transfer of such funds in accordance with instructions provided to (and reasonably acceptable to) such Initial Lender by the Borrower.

(b) Eurodollar Rate Loan. Except as otherwise provided herein, a Eurodollar Rate Loan shall automatically be continued only on the last day of an Interest Period for such Eurodollar Rate Loan. During the existence of a Default, at the option of the Required Lenders and upon notice to the Borrower, the Loans may not be continued as a Eurodollar Rate Loan, and the Required Lenders may require that any or all of the outstanding Eurodollar Rate Loan be converted immediately to a Base Rate Loan. The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for a Eurodollar Rate Loan upon determination of such interest rate.

2.3 Borrowing Procedures; Closing Date Mechanics. Other than as set forth below with respect to the Exchanged Loans, the Borrowing shall be made by a Notice of Borrowing delivered to the Administrative Agent (for distribution to the Initial Lenders) and received by Administrative Agent no later than 5:00 p.m. on the Business Day prior to the Closing Date (or such later time as the Initial Lenders may agree in their sole discretion). After receipt of the Notice of Borrowing, the Administrative Agent shall promptly notify the Initial Lenders by telecopy, telephone, email, or other electronic form of transmission acceptable to the Initial Lenders, of the requested Borrowing. Each Initial Lender shall make such Loans to be made by it hereunder on the proposed Closing Date by wire transfer of immediately available funds by 11:00 a.m. on the Business Day that is the requested Closing Date to the applicable account in accordance with the Notice of Borrowing (such Loans, the "New Money Loans"). The Administrative Agent will make the New Money Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to the applicable account set forth in the Notice of Borrowing. Nothing herein shall be deemed to obligate any Lender to obtain the funds for its New Money Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for its New Money Loan in any particular place or manner. Notwithstanding anything to the contrary contained herein (and without affecting any other provisions hereof), the funded portion of each New Money Loan to be made on the Closing Date shall be equal to 98.00% of the principal amount of such New

Money Loan (it being agreed that the full principal amount of each such New Money Loan shall be the "initial" principal amount of such New Money Loan and deemed outstanding on the Closing Date and the Borrower shall be obligated to repay 100% of the principal amount of each such New Money Loan as provided hereunder). The Borrowing of the Loans (other than New Money Loans) on the Closing Date shall be satisfied by the delivery by each Initial Lender of 100% of the proceeds of such Loans from such Initial Lender to the Note Sellers in satisfaction of payment of the purchase price owed to such Note Sellers under, and in accordance with, the Note Purchase Agreement (such Loans, the "Exchanged Loans") and the Borrower hereby directs each Initial Lender to so deliver the proceeds of the Exchanged Loans in accordance with the provisions of the Note Purchase Agreement. Notwithstanding the foregoing, no Initial Lender shall have an obligation to make any Loan if one or more of the applicable conditions precedent set forth in Article IV has not been or will not be satisfied on the requested Closing Date unless such condition has been waived in accordance with the applicable provisions of Article IV.

2.4 [Reserved].

2.5 Prepayments.

(a) Optional. The Borrower may, by delivery to the Administrative Agent of a Notice of Loan Prepayment, at any time or from time to time on or after the Closing Date, voluntarily prepay the Loans in whole or in part together with the applicable Loan Payment Fees and any amounts due pursuant to Section 3.5; provided that, (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) one (1) Business Days prior to any date of prepayment of a Eurodollar Rate Loan and (2) on the date of prepayment of a Base Rate Loan; and (B) any prepayment of the Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof; or if less, the entire principal amount thereof then outstanding, and shall be accompanied by the applicable Loan Payment Fees and any amounts due pursuant to Section 3.5. Each such notice shall specify the date and amount of such prepayment, the applicable Loan Payment Fees (if any) and the remaining portion of the Permitted Payment Amount (if any). The Administrative Agent will promptly notify each Lender of its receipt of any such Notice of Loan Prepayment, and of the amount of such Lender's ratable portion of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such Notice of Loan Prepayment shall be due and payable on the date specified therein. Any prepayment shall be accompanied by all accrued interest on the amount prepaid and the applicable Loan Payment Fees and any amounts due pursuant to Section 3.5.

(b) Mandatory.

(i) Dispositions. If the Loan Parties and their Subsidiaries (x) Dispose of any property in any transaction or series of related transactions, other than (i) any Disposition that constitutes a sale or issuance of Equity Interests of the Borrower, (ii) any Permitted Transfer, (iii) any Permitted IP Disposition, or (iv) any Disposition of all or any portion of (1) the MiFi Business, (2) the Ctrack Business or (3) the Equity Interests of any Person that services the Ctrack Business, or (y) realize any Net Cash Proceeds resulting from an Involuntary Disposition other than in respect of all or any portion of (1) the MiFi Business, (2) the Ctrack Business or (3) the Equity Interests of any Person that services the Ctrack Business (any of the foregoing described in clause (x) or clause

(y), a "Disposition Prepayment Event"), within five (5) Business Days after any such Disposition Prepayment Event, the Borrower shall prepay the Loans in an aggregate amount equal to the Disposition Prepayment Percentage of the Net Cash Proceeds received in respect of such Disposition Prepayment Event. If the Loan Parties and their Subsidiaries (x) Dispose (in any transaction or series of related transactions) of all or any portion of (1) the MiFi Business (other than a Permitted IP Disposition), (2) the Ctrack Business other than (A) the Ctrack Business in New Zealand and/or Australia or (B) the real estate owned by the Borrower's Subsidiaries and used in the Ctrack Business, or (3) the Equity Interests of any Person that services the Ctrack Business other than the Ctrack Business in New Zealand and/or Australia, or (y) realize any Net Cash Proceeds resulting from an Involuntary Disposition of all or any portion of (1) such MiFi Business, (2) such Ctrack Business or (3) such Equity Interests, within five (5) Business Days after any such Disposition or Involuntary Disposition the Borrower shall prepay the Loans in an aggregate amount equal to 100% of the Net Cash Proceeds received in respect of such Disposition or Involuntary Disposition. If the Loan Parties and their Subsidiaries (x) make any Permitted IP Disposition, (y) Dispose (in any transaction or series of related transactions) of all or any portion of (1) the Ctrack Business in New Zealand and/or Australia or the real estate owned by the Borrower's Subsidiaries and used in the Ctrack Business, or (2) the Equity Interests of any Person that services the Ctrack Business in New Zealand and/or Australia, or (z) realize any Net Cash Proceeds resulting from an Involuntary Disposition of all or any portion of (1) such Ctrack Business or (2) such Equity Interests, within five (5) Business Days after any such Disposition or Involuntary Disposition the Borrower shall prepay the Loans in an aggregate amount equal to 50% of the Net Cash Proceeds received in respect of such Disposition or Involuntary Disposition; provided that if the Net Cash Proceeds received in respect of (A) all Permitted IP Dispositions together with all Extraordinary Receipts described in Section 2.5(b)(iii)(y) below exceed $3,000,000 in the aggregate, then the Borrower shall, without duplication, prepay the Loans in an aggregate amount equal to 100% of such Net Cash Proceeds in excess of $3,000,000, and (B) all Dispositions under clause (y) of this sentence exceed $10,000,000 in the aggregate, then the Borrower shall, without duplication, prepay the Loans in an aggregate amount equal to 100% of such Net Cash Proceeds in excess of $10,000,000.

(ii) Debt Issuance. Promptly upon the receipt by any Loan Party or any Subsidiary of the Net Cash Proceeds of any issuance of Indebtedness not permitted under Section 7.2, the Borrower shall prepay the Loans in an aggregate principal amount equal to 100% of such Net Cash Proceeds.

(iii) Extraordinary Receipts. Promptly upon receipt by any Loan Party or any Subsidiary of (x) any Extraordinary Receipt (other than in respect of a Permitted IP Disposition) received by or paid to or for the account of any Loan Party or any of its Subsidiaries, and not otherwise included in this Section 2.5(b), the Borrower shall prepay the Loans in an aggregate principal amount equal to 100% of all Net Cash Proceeds received therefrom and (y) any Extraordinary Receipt in respect of a Permitted IP Disposition received by or paid to or for the account of any Loan Party or any of its Subsidiaries, and not otherwise included in this Section 2.5(b), the Borrower shall prepay the Loans in an aggregate principal amount equal to 50% of all Net Cash Proceeds received therefrom; provided that if the Net Cash Proceeds received in respect of all Permitted IP Dispositions together with all Extraordinary Receipts described in this clause (y) exceed

$3,000,000 in the aggregate, then the Borrower shall, without duplication, prepay the Loans in an aggregate amount equal to 100% of such Extraordinary Receipts in excess of $3,000,000.

(iv) MiFi Break Fee. Promptly upon receipt by any Loan Party or any Subsidiary of any termination or break-up fee in connection with the Sale, the Borrower shall prepay the Loans as hereinafter provided in an aggregate principal amount equal to 100% of all Net Cash Proceeds received therefrom.

(v) Loan Prepayment Fees. All prepayments under this Section 2.5(b) shall be accompanied by interest on the principal amount prepaid through the date of prepayment and the applicable Loan Payment Fees due as of such date.

If the Borrower determines in good faith that any prepayment described under this clause (b) (1) in the case of any prepayment attributable to any Foreign Subsidiary, would violate any local law (e.g., financial assistance, corporate benefit, thin capitalization, capital maintenance and similar legal principles, restrictions on upstreaming of cash intra group and the fiduciary and statutory duties of the directors of the relevant subsidiaries) or (2) would require any Loan Party or any Subsidiary thereof to incur a material and adverse tax liability (including any withholding tax), in each case, if the amount subject to the relevant prepayment were upstreamed or transferred as a distribution or dividend (any amount limited as set forth in clauses (1) and (2) of this paragraph, a "Restricted Amount"), the amount of the relevant prepayment shall be reduced by the Restricted Amount; provided that (x) any such determination shall be set forth in a certificate from a Responsible Officer to the Administrative Agent (for distribution to the Lenders) setting forth in reasonable detail the basis for such good faith determination and (y) if the circumstance giving rise to any Restricted Amount ceases to exist, the relevant Subsidiary shall repatriate or distribute the amount that no longer constitutes a Restricted Amount to the Borrower for application to the Loans as required above promptly following the date on which the relevant circumstance ceases to exist.

2.6 Incremental Term Loans.

(a) The Borrower may, by written notice (each, an "Incremental Request") to the Administrative Agent from time to time (whereupon the Administrative Agent shall promptly make such notice available to each of the Lenders), request the establishment of one or more new term loan commitments (each, an "Incremental Term Commitment") in an aggregate amount following the Closing Date not to exceed the Incremental Amount from Lenders or additional banks, financial institutions or other institutional lenders as provided below. Each such notice shall specify (i) the amount of the Incremental Term Commitments being requested (which shall be in minimum increments of $1,000,000 and a minimum amount of $10,000,000 or such lesser amount equal to the remaining Incremental Amount), and (ii) the date (each, an "Increase Effective Date") on which the Borrower proposes that the Incremental Term Commitments shall be effective, which shall be a date not less than 10 Business Days after the date on which such notice is delivered to the Administrative Agent.

(b) The Incremental Term Commitments shall become effective as of the Increase Effective Date; provided that:

(i) no Lender shall be obligated to provide any Incremental Term Commitment unless it shall have separately agreed to do so, and the determination to provide such commitments shall be within the sole and absolute discretion of such Lender;

(ii) the creation or provision of any Incremental Term Commitment or Incremental Term Loan shall require the approval of each Initial Lender in its sole discretion (which approval shall be separate and distinct from such Lender's discretionary right to agree to provide any portion of any Incremental Term Commitment and any such approval of the Borrower's incurrence of any Incremental Term Commitment shall not, in and of itself, require or imply that such Lender agrees to provide any portion of such Incremental Term Commitment);

(iii) no Default or Event of Default shall have occurred and be continuing or would exist after giving effect to such Incremental Term Commitments;

(iv) after giving effect to such Incremental Term Commitments, the representations and warranties of the Loan Parties set forth in this Agreement and the other Loan Documents shall be true and correct in all material respects (without duplication of materiality) on and as of the Increase Effective Date with the same effect as though such representations and warranties had been made on and as of such; provided that to the extent that a representation and warranty specifically refers to a given date or period, it shall be true and correct in all material respects as of such date or period, as the case may be; and

(v) if requested by the Initial Lenders, the Lenders shall have received an opinion or opinions of counsel for the Loan Parties, dated the Increase Effective Date and addressed to the Administrative Agent and the Lenders, in form and substance acceptable to the Initial Lenders.

(c) The terms and provisions of the Incremental Term Loans made pursuant to Incremental Term Commitments shall be as follows:

(i) except as otherwise set forth herein or in the Increase Joinder, identical to the Loans (it being understood that Incremental Term Loans may be a part of the Loans) except as to maturity and amortization (which shall be subject to the following clauses (ii) and (iii));

(ii) the Weighted Average Life to Maturity of any Incremental Term Loans shall be no shorter than the remaining Weighted Average Life to Maturity of the then existing Loans; and

(iii) the maturity date of Incremental Term Loans (the "Incremental Term Loan Maturity Date") shall not be earlier than the Maturity Date of the Loans then in effect.

(d) Incremental Term Commitments may be provided by any Lender or any other Person (such other Person, an "Additional Lender"); provided that, each Initial Lender (in its sole discretion) shall have consented to such Additional Lender's providing such Incremental Term Commitments; provided, that (subject to Section 2.6(b)(ii)) the opportunity to commit to provide all or a portion of any Incremental Term Commitments shall be offered by the Borrower first to the then-existing Lenders on a pro rata basis and, to the extent any of such existing Lenders have not agreed or declined to provide any portion of such Incremental Term Commitments, after being provided a

bona fide opportunity to do so, the other existing Lenders shall be provided an opportunity to provide all or any portion of such declined portion and to the extent any portion of the Incremental Term Commitments are not accepted by the then existing Lenders, the Borrower may then offer such opportunity to Additional Lenders.

(e) The Incremental Term Commitments shall be effected by a joinder agreement (the "Increase Joinder") executed by the Borrower, each other Loan Party, the Administrative Agent, each Initial Lender (in its sole discretion), each Additional Lender and each other Person providing all or any portion of such Incremental Term Commitments, in form and substance reasonably satisfactory to each of them; provided that, in the event the Administrative Agent shall not have received a fully executed Increase Joinder on or before the date that is 30 Business Days after the date on which the associated Incremental Request was delivered to Administrative Agent then such Incremental Request shall be deemed to have been revoked. In addition, unless otherwise specifically provided herein, all references in Loan Documents to the Loans shall be deemed, unless the context otherwise requires, to include references to Incremental Term Loans made pursuant to Incremental Term Commitments made pursuant to this Agreement.

(f) Unless otherwise agreed in the applicable Increase Joinder, on any Increase Effective Date on which new Commitments for Loans are effective, subject to the satisfaction of the foregoing terms and conditions, each Lender of such new Commitment shall make a Loan to the Borrowers in an amount equal to its new Commitment.

(g) The Incremental Term Loans and Commitments established pursuant to this Section 2.6 shall constitute a part of the "Loan" 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 Guaranty hereunder and the security interests created by the Collateral Documents. The Loan Parties shall take any actions reasonably required by the Lenders to ensure and/or demonstrate that the Guaranty made hereunder and the Lien and security interests granted hereby and by the other Collateral Documents continue to be valid and perfected under the UCC or otherwise after giving effect to the establishment of any such class of Incremental Term Loans or any such new Commitments.

2.7 Repayment of the Loans.

The Borrower hereby unconditionally promises to pay to the Administrative Agent, for the account of each Lender, the aggregate principal amount of the Loans outstanding on the Maturity Date, or if earlier, the date of acceleration of the Loans pursuant to Section 8.2. For the avoidance of doubt, any repayment pursuant to this Section 2.7, on the Maturity Date or following an acceleration, shall be accompanied by the applicable Loan Payment Fees.

2.8 Interest and Default Rate.

(a) Interest. Subject to the provisions of Section 2.8(b), (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period from the applicable borrowing date at a rate per annum equal to the Eurodollar Rate for such Interest Period plus the Applicable Rate; and (ii) each Base Rate Loan shall bear interest on the outstanding principal

amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate. To the extent that any calculation of interest or any fee required to be paid under this Agreement shall be based on (or result in) a rate that is less than zero, such rate shall be deemed zero for purposes of this Agreement.

(b) Default Rate.

(i) If any amount of principal of the Loans is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of the Loans) payable by the Borrower under any Loan Document is not paid when due (after giving effect to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders such amount shall thereafter, until paid, bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists (including a payment default), all other outstanding Obligations may bear interest, until paid, at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(c) Interest Payments. Interest on the Loans shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.9 Fees.

(a) Lender Fees. The Borrower shall pay to each Lender, for its own account, such fees as shall have been separately agreed upon in the applicable Fee Letter or otherwise in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(b) Administrative Agent Fees. The Borrower shall pay to the Administrative Agent, for its own account, such fees as shall have been separately agreed upon in the applicable Fee Letter or otherwise in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees.

All computations of interest for the Loans shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365 day year). Interest shall

accrue on each Loan for the day on which the Loans is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loans or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.11, bear interest for one (1) day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.11 Payments; Pro Rata Treatment; Sharing Set-Offs Generally.

(a) Borrower Payments.

(i) All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent at the Administrative Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein; provided that payments pursuant to Sections 3.1, 3.4, 3.5 and 10.4 shall be made directly to the Persons entitled thereto. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. The Administrative Agent shall distribute any such payments received by it for the account of any Lender to such Lender promptly following receipt thereof. Except as otherwise specifically provided for in this Agreement, if any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(ii) Unless the Administrative Agent receives notice from the Borrower prior to the date on which any payment is due to the Lenders that Borrower will not make such payment in full as and when required, the Administrative Agent may assume that the Borrower has made (or will make) such payment in full to the Administrative Agent on such date in immediately available funds and the Administrative Agent may (but shall not be so required), in reliance upon such assumption, distribute to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower does not make such payment in full to the Administrative Agent on the date when due, each Lender severally shall repay to the Administrative Agent on demand such amount distributed to such Lender, together with interest thereon at the Default Rate for each day from the date such amount is distributed to such Lender until the date repaid; provided that such interest shall be an obligation of the Borrower and shall be payable by the Borrower upon demand.

(b) Application of Insufficient Payments. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of 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, towards payment of principal then due hereunder (plus any fees and expenses owed to the Administrative Agent), pro rata among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) Sharing of Payments. If, at any time or times any Lender shall receive (i) by payment, foreclosure, setoff, or otherwise, any proceeds of Collateral or any payments with respect to the Secured Obligations, except for any such proceeds or payments received by such Lender from the Administrative Agent pursuant to the terms of this Agreement, or (ii) payments from the Administrative Agent in excess of such Lender's pro rata share of all such distributions by the Administrative Agent, such Lender promptly shall (A) turn the same over to the Administrative Agent, in kind, and with such endorsements as may be required to negotiate the same to the Administrative Agent, or in immediately available funds, as applicable, for the account of all of the Lenders and for application to the Secured Obligations in accordance with the applicable provisions of this Agreement, or (B) purchase, without recourse or warranty, an undivided interest and participation in the Secured Obligations owed to the other Lenders so that such excess payment received shall be applied ratably as among the Lenders in accordance with their pro rata shares; provided, that to the extent that such excess payment received by the purchasing party is thereafter recovered from it, those purchases of participations shall be rescinded in whole or in part, as applicable, and the applicable portion of the purchase price paid therefor shall be returned to such purchasing party, but without interest except to the extent that such purchasing party is required to pay interest in connection with the recovery of the excess payment.

ARTICLE III
TAXES, YIELD PROTECTION AND ILLEGALITY

3.1 Taxes.

(a) For purposes of this Section 3.1, the term "applicable law" includes FATCA. Any and all payments by or on account of any obligation of the Loan Parties under any Loan Document shall be made without deduction or withholding for any Taxes except as required by applicable law. If any such Taxes are imposed (as determined in the good faith discretion of the applicable Withholding Agent) on any payments made by a Withholding Agent (including payments under this paragraph), then such Withholding Agent will pay the Taxes and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary to preserve the after-tax yield each of the Lenders would have received if such Taxes had not been imposed.

(b) The Loan Parties shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Loan Parties shall jointly and severally indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified 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 a Loan Party by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of such Lender, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority, as provided in this Section 3.1, the Loan Party will deliver to the Administrative Agent, for distribution to the Lenders, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent. Each Loan Party will confirm that it has paid the Taxes required under this Section 3.1 by giving the Administrative Agent official tax receipts (or notarized copies) within thirty (30) days after the due date.

(e) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to Borrower and the Administrative Agent, at the time or times reasonably requested by Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by Borrower or Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. Without limiting the generality of the foregoing:

(i) Prior to the date that any Lender that is not a "U.S. Person" within the meaning of Section 7701(a)(30) of the Code (a "Foreign Lender") becomes a party hereto, such Lender shall deliver to Borrower and the Administrative Agent such certificates, documents or other evidence, as required by the Code (including IRS Forms W-8ECI, W-8BEN-E, or W-8IMY as applicable, or appropriate successor forms), properly completed, currently effective and duly executed by such Lender, along with any applicable attachments, to permit Borrower or the Administrative Agent to determine the withholding or deduction required to be made, if any.

(ii) Any Lender that is not a Foreign Lender shall deliver to Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding Tax.

(iii) Each Foreign Lender shall, to the extent it is legally entitled to do so, 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 Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(iv) Each Lender shall promptly deliver further copies of such forms or other appropriate certifications if any such forms expire or become obsolete and after the occurrence of any event requiring a change in the most recent form delivered to Borrower or the Administrative Agent.

(v) Each Lender shall deliver to Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by Borrower or the Administrative Agent such documentation required under FATCA (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower or the Administrative Agent as may be necessary for Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment.

For purposes of this Section 3.1(e), a reference to a "Lender" shall include any participant to whom such Lender has sold a participation (it being understood that the documentation required under this Section 3.1(e) shall be delivered to the participating Lender). Notwithstanding anything to the contrary, the completion, execution and submission of the documentation described in Section 3.1(e)(iii) shall not be required if in a Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(f) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 3.1 (including by the payment of additional amounts pursuant to this Section 3.1), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (f) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to a Loan Party or any other Person.

(g) Each party's obligation under this Section 3.1 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.

3.2 Illegality.

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its lending office to perform any of its obligations hereunder or to make, maintain or fund or charge interest with respect to the Loans of such Lender or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower, any obligation of such Lender to issue, make, maintain, fund or charge interest with respect to the Loans of such Lender or continue Eurodollar Rate Loans shall be suspended until such Lender notifies the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender, prepay or, if applicable, convert the Eurodollar Rate Loan of such Lender to a Base Rate Loan, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loan to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loan. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.3 Inability to Determine Rates.

If in connection with any request for a Eurodollar Rate Loan or a continuation thereof, any Lender determines that (a) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurodollar Rate Loan, or (b) adequate and reasonable means do not exist for determining the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan, such Lender will promptly so notify the Borrower. Thereafter, the obligation of such Lender to make or maintain Eurodollar Rate Loans shall be suspended (to the extent of the affected Eurodollar Rate Loans or Interest Periods), in each case until such Lender revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, or continuation of Eurodollar Rate Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

3.4 Increased Costs; Reserves on Eurodollar Rate Loans.

In the event any permitted assignee of any Lender is a bank:

(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, such Lender (except any reserve requirement contemplated by Section 3.4(d));

(ii) subject any Recipient to any taxes (other than Indemnified Taxes and Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on such Lender or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender; and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining the Loans (or of maintaining its obligation to make any such Loan), or to reduce the amount of any sum received or receivable by such Lender or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or other Recipient, the Borrower will pay to such Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender or other Recipient for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender determines that any Change in Law affecting such Lender or its lending office or such Lender'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 capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of any Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Reserves on Eurodollar Rate Loans. The Borrower shall pay to each Lender, (i) as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each Eurodollar Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), and (ii) as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which in each case shall be due and payable on each date on which interest is payable on such Loan, provided the Borrower shall have received at least ten (10) days' prior notice of such additional interest or costs from such Lender. If such Lender fails to give notice ten (10) days prior to the relevant Interest Payment Date, such additional interest shall be due and payable ten (10) days from receipt of such notice.

(e) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of this Section 3.4 shall not constitute a waiver of such Lender's right to demand such compensation, provided that the Borrower shall not be required to compensate such Lender pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender'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 nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof).

3.5 Compensation for Losses.

In the event any permitted assignee of any Lender is a bank:

Upon demand of such Lender 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 payment or prepayment of the Loans to the extent it is a Eurodollar Rate Loan on a day other than the last day of the Interest Period for the Loans (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(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 a Base Rate Loan on the date or in the amount notified by the Borrower;

including any loss of anticipated profits and 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. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to any Lender under this Section 3.5, such Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar 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 Rate Loan was in fact so funded.

3.6 Survival.

All of the Borrower's obligations under this Article III shall survive termination of the Commitments, repayment of all other Obligations hereunder.

ARTICLE IV
CONDITIONS PRECEDENT TO BORROWING

The obligation of the Initial Lenders to make the Loans hereunder on the Closing Date is subject to satisfaction or waiver by all the Initial Lenders of the following conditions precedent;

provided that any matters addressed in Section 6.17 shall not be deemed closing conditions hereunder:

(a) Execution of Credit Agreement; Loan Documents. The Initial Lenders shall have received (i) counterparts of this Agreement, executed by the Administrative Agent, each Initial Lender and a Responsible Officer of each Loan Party, (ii) counterparts of the Security Agreement and each other Collateral Document, executed by a Responsible Officer of the applicable Loan Parties and a duly authorized officer of each other Person party thereto, as applicable and (iii) counterparts of any other Loan Document, executed by a Responsible Officer of the applicable Loan Party and a duly authorized officer of each other Person party thereto.

(b) Officer's Certificate. The Initial Lenders shall have received a certificate of a Responsible Officer dated the Closing Date, certifying as to the Organization Documents of each Loan Party (which, to the extent filed with a Governmental Authority, shall be certified as of a recent date by such Governmental Authority), the resolutions of the governing body of each Loan Party, the good standing, existence or its equivalent of each Loan Party and of the incumbency (including specimen signatures) of the Responsible Officers of each Loan Party.

(c) Legal Opinions of Counsel. The Initial Lenders shall have received an opinion or opinions (including, if requested by the Initial Lenders, local counsel opinions) of counsel for the Loan Parties, dated the Closing Date and addressed to the Administrative Agent and the Initial Lenders, in form and substance acceptable to the Initial Lenders.

(d) Personal Property Collateral. The Initial Lenders shall have received, in form and substance satisfactory to the Initial Lenders:

(i) (A) searches of UCC filings in the jurisdiction of incorporation or formation, as applicable, of each Loan Party and each jurisdiction where any Collateral is located or where a filing would need to be made in order to perfect the Collateral Agent's security interest in the Collateral, copies of the financing statements on file in such jurisdictions and evidence that no Liens exist other than Permitted Liens and (B) tax lien, judgment and bankruptcy searches;

(ii) searches of ownership of Intellectual Property in the appropriate governmental offices and such patent, trademark and copyright filings as requested by the Initial Lenders in order to perfect the Collateral Agent's security interest in the Intellectual Property;

(iii) completed UCC financing statements for each appropriate jurisdiction as is necessary, in the Initial Lenders' sole discretion, to perfect the Collateral Agent's security interest in the Collateral;

(iv) stock or membership certificates, if any, evidencing the Pledged Equity and undated stock or transfer powers duly executed in blank; in each case to the extent such Pledged Equity is certificated;

(v) to the extent required to be delivered, filed, registered or recorded pursuant to the terms and conditions of the Collateral Documents, all instruments, documents and chattel paper in the possession of any of the Loan Parties, together with allonges or assignments as may be necessary or appropriate to create and perfect the Collateral Agent's security interest in the Collateral; and

(vi) Qualifying Control Agreements satisfactory to the Initial Lenders to the extent required to be delivered pursuant to Section 6.13.

(e) Insurance. The Initial Lenders shall have received copies of insurance certificates and endorsements evidencing the insurance required by Section 6.7 of this Agreement or otherwise acceptable to the Initial Lenders.

(f) Solvency Certificate. The Initial Lenders shall have received a Solvency Certificate signed by a Responsible Officer of the Borrower that, after giving effect to the initial borrowings under the Loan Documents and the other transactions contemplated hereby, the Borrower is individually, and together with its Subsidiaries on a consolidated basis, Solvent.

(g) Notice of Borrowing. The Administrative Agent and the Initial Lenders shall have received a duly completed Notice of Borrowing delivered in accordance with Section 2.3 and including therein an instruction of direction with respect to the Loans to be made on the Closing Date.

(h) Existing Indebtedness of the Loan Parties. The Indebtedness under the Existing Credit Agreement and all other existing Indebtedness for borrowed money of the Borrower and its Subsidiaries (other than Indebtedness permitted to exist pursuant to Section 7.2) shall be repaid in full and all security interests related thereto shall be terminated on or prior to the Closing Date.

(i) Fees and Expenses. The Administrative Agent and the Initial Lenders shall have received all fees and expenses, if any, owing pursuant to this Agreement and the Fee Letters, including the fees and expenses of Davis Polk & Wardwell LLP.

(j) Other Documents. All other documents provided for herein or which the Initial Lenders may reasonably request or require.

(k) Additional Information. Such additional information and materials which the Initial Lenders shall reasonably request or require.

(l) Representations and Warranties. The representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document shall (i) with respect to representations and warranties that contain a materiality qualification, be true and correct and (ii) with respect to representations and warranties that do not contain a materiality qualification, be true and correct in all material respects.

(m) Default. No Default or Event of Default shall exist or would result from the making of the Loans or from the application of the proceeds thereof.

(n) Liquidity. As of the Closing Date, and after giving effect to the Loans, the Liquidity shall not be less than $5,000,000; provided that solely for purposes of this clause (n), Liquidity shall be determined without regard to clause (a) of the definition thereof.

(o) Note Purchase Agreement. The Note Purchase Agreement from the Initial Lenders party to this Agreement shall have become effective and the Initial Lenders shall have received a certificate from a Responsible Officer of the Borrower certifying that the conditions precedent set forth in Section 6 of the Note Purchase Agreement to be fulfilled by the Borrower have been satisfied.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to the Administrative Agent and the Lenders, as of the Closing Date that:

5.1 Existence, Qualification and Power.

Each Loan Party and each of its Subsidiaries (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect. The copy of the Organization Documents of each Loan Party provided to the Initial Lenders pursuant to the terms of this Agreement is a true and correct copy of each such document as in effect on the Closing Date, each of which is valid and in full force and effect.

5.2 Authorization; No Contravention.

The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is or is to be a party have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any Contractual Obligation (including pursuant to the Convertible Notes Documents or the Novatel Convertible Notes Documents) to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law.

5.3 Governmental Authorization; Other Consents.

No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with

(a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents, (c) the perfection or maintenance of the Liens created under the Collateral Documents (including the first priority nature thereof) or (d) the exercise by the Agents and the Lenders of their respective rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Collateral Documents, other than (i) authorizations, approvals, actions, notices and filings which have been duly obtained and (ii) filings to perfect the Liens created by the Collateral Documents.

5.4 Binding Effect.

This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of each Loan Party that is a party thereto, enforceable against such Loan Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principals of equity.

5.5 Financial Statements; No Material Adverse Effect.

(a) Audited Financial Statements. The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations, cash flows and changes in shareholders' equity for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other material liabilities, direct or contingent, of the Borrower and its Subsidiaries as of the date thereof, including material liabilities for taxes, commitments and Indebtedness.

(b) Unaudited Financial Statements. The unaudited Consolidated balance sheet of the Borrower and its Subsidiaries dated June 30, 2017, and the related condensed Consolidated statements of income or operations, shareholders' equity and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations, cash flows and changes in shareholders' equity for the period covered thereby; and (iii) show all material indebtedness and other material liabilities, direct or contingent, of the Borrower and its Subsidiaries as of the date thereof, including material liabilities for taxes, commitments and Indebtedness, subject, in each case, to the absence of footnotes and to normal year-end audit adjustments.

(c) Material Adverse Effect. Since the date of the balance sheet included in the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

(d) No Undisclosed Liabilities. Except for the Indebtedness incurred under this Agreement and the Indebtedness permitted by Section 7.2, (i) as of the Closing Date (and after giving effect to the Loans), there are no liabilities or obligations (excluding current obligations incurred in the ordinary course of business) of the Borrower or its Subsidiaries of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether or not due and including obligations or liabilities for taxes, long-term leases and unusual forward or other long-term commitments), and (ii) the Borrower does not have knowledge of any basis for the assertion against any the Borrower or its Subsidiaries of any such liability or obligation which, in the case of clause (i) or (ii), either individually or in the aggregate, could reasonably be expected to have, a Material Adverse Effect.

5.6 Litigation.

There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties, threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any Subsidiary or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document or any of the transactions contemplated hereby, or (b) either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

5.7 No Default.

Neither any Loan Party nor any Subsidiary thereof is in default under or with respect to, or a party to, any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.8 Ownership of Property; Liens.

Each Loan Party and each of its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The property of each Loan Party and each of its Subsidiaries is subject to no Liens, other than as permitted by Section 7.1.

5.9 Environmental Compliance.

(a) The Loan Parties have no knowledge of any claims alleging potential liability or responsibility for violation of any Environmental Law on their respective businesses, operations and properties that could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Neither any Loan Party nor any of its Subsidiaries is undertaking, and has not in the year prior to the Closing Date completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened release, discharge or disposal of Hazardous Materials at any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; and all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or formerly owned or operated by any Loan Party or any of its Subsidiaries have been disposed of in a manner not reasonably expected to result in material liability to any Loan Party or any of its Subsidiaries.

5.10 Maintenance of Insurance.

The properties of the Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Borrower, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party or the applicable Subsidiary operates.

5.11 Taxes.

Each Loan Party and its Subsidiaries have timely filed all federal and other material Tax returns and reports required to be filed, and have paid all federal, state and other material Taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed Tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect, nor is there any Tax sharing agreement applicable to the Borrower or any Subsidiary.

5.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter or is subject to a favorable opinion letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the IRS to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the IRS. To the knowledge of the Loan Parties, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred, and no Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) the Borrower and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is sixty percent (60%) or higher and no Loan Party nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below sixty percent (60%) as of the most recent valuation date; (iv) no Loan Party nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) neither the Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

5.13 Margin Regulations; Investment Company Act.

(a) Margin Regulations. The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of the Borrowing on the Closing Date, not more than twenty-five percent (25%) of the value of the assets (either of the Borrower only or of the Borrower and its Subsidiaries on a Consolidated basis) subject to the provisions of Section 7.1 or Section 7.5 or subject to any restriction contained in any agreement or instrument between the Borrower and the Initial Lenders or any Affiliate of the Initial Lenders relating to Indebtedness and within the scope of Section 8.1(e), will be margin stock.

(b) Investment Company Act. No Loan Party is required to be registered as an "investment company" under the Investment Company Act of 1940.

5.14 Disclosure.

The Borrower has disclosed to the Initial Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries or any other Loan Party is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No report, financial statement, certificate or other information furnished (whether in writing or orally) by or on behalf of any Loan Party to the Initial Lenders in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case as modified or supplemented by other information so furnished) contains any material misstatement of material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading; provided that, with respect to projected

financial information, each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

5.15 Solvency.

The Borrower is, individually and together with its Subsidiaries on a Consolidated basis, Solvent.

5.16 Casualty, Etc.

Neither the businesses nor the properties of any Loan Party or any of its Subsidiaries are affected by any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance) that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.17 Sanctions Concerns and Anti-Corruption Laws.

(a) Sanctions Concerns. No Loan Party nor any of its Subsidiaries is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

(b) Anti-Corruption Laws. The Loan Parties and their Subsidiaries have conducted their business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions.

5.18 Subsidiaries; Joint Ventures, Partnerships and Equity Investments.

(a) Subsidiaries, Joint Ventures, Partnerships and Equity Investments. Set forth on Schedule 1 to the Perfection Certificate, is the following information which is true and complete as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14: (i) a list of all Subsidiaries, joint ventures and partnerships and other equity investments of the Loan Parties, (ii) the number of outstanding shares of each class of Equity Interests in each Subsidiary, (iii) the number and percentage of outstanding shares of each class of Equity Interests owned by the Loan Parties and their Subsidiaries, (iv) the class or nature of such Equity Interests (i.e. common, preferred, etc.), (v) ownership information (e.g. publicly held or if private or partnership, the owners and partners of each of the Loan Parties), (vi) all subscriptions, options, warrants or calls relating to such Equity Interests, including any right of conversion or exchange and (vii) each stockholders' agreement, restrictive agreement, voting agreement or similar agreement relating to any such Equity Interests. The outstanding Equity Interests in all Subsidiaries are validly issued, fully paid and non-assessable and are owned free and clear of all Liens. There are no outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments (other than stock options granted to employees or directors and directors' qualifying shares) of any

nature relating to the Equity Interests of any Loan Party (other than Borrower) or any Subsidiary thereof, except as set forth in the Perfection Certificate or contemplated in connection with the Loan Documents.

(b) Loan Parties. Set forth on Schedule 2 to the Perfection Certificate is a complete and accurate list of all Loan Parties, showing as of the Closing Date, or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14 (as to each Loan Party) (i) the exact legal name, (ii) any former legal names of such Loan Party in the four (4) months prior to the Closing Date, (iii) the jurisdiction of its incorporation or organization, as applicable, (iv) the type of organization, (v) the address of its chief executive office, (vi) its U.S. federal taxpayer identification number or, in the case of any non-U.S. Loan Party that does not have a U.S. taxpayer identification number, its unique identification number issued to it by the jurisdiction of its incorporation or organization, and (vii) the organization identification number.

5.19 Collateral Representations.

(a) Collateral Documents. The provisions of the Collateral Documents are effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable first priority Lien (subject to Permitted Liens) on all right, title and interest of the respective Loan Parties in the Collateral described therein. Except for filings completed prior to the Closing Date and as contemplated hereby and by the Collateral Documents, no filing or other action will be necessary to perfect or protect such Liens.

(b) Intellectual Property. Set forth on Schedule 12 to the Perfection Certificate, as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14, is a list of all Intellectual Property registered or pending for registration with the United States Copyright Office or the United States Patent and Trademark Office owned by each of the Loan Parties (including the name/title, current owner, registration or application number).

(c) Documents, Instruments, and Tangible Chattel Paper. Set forth on Schedule 11 to the Perfection Certificate, as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14, is a description of all Documents, Instruments, and Tangible Chattel Paper of the Loan Parties (including the Loan Party owning such Document, Instrument and Tangible Chattel Paper).

(d) Deposit Accounts, Electronic Chattel Paper, Letter-of-Credit Rights, and Securities Accounts.

(i) Set forth on Schedule 7 to the Perfection Certificate, as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14, is a description of all Deposit Accounts and Securities Accounts of the Loan Parties, including the name of (A) the applicable Loan Party, (B) in the case of a Deposit Account, the depository institution, the account number and the purpose of the account, and (C) in the case of a Securities Account, the Securities Intermediary or issuer, the account number and the type of investments held in such account.

(ii) Set forth on Schedule 11 to the Perfection Certificate, as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14, is a description of all Electronic Chattel Paper (as defined in the UCC) and Letter-of-Credit Rights (as defined in the UCC) of the Loan Parties, including the name of (A) the applicable Loan Party, (B) in the case of Electronic Chattel Paper, the account debtor and (C) in the case of Letter-of-Credit Rights, the issuer or nominated person, as applicable.

(e) Commercial Tort Claims. Set forth on Schedule 3 to the Perfection Certificate, as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14, is a description of all Commercial Tort Claims of the Loan Parties (detailing such Commercial Tort Claim in reasonable detail).

(f) Pledged Equity Interests. Set forth on Schedule 14 to the Perfection Certificate, as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14, is a list of all Pledged Equity and in each case, detailing the Grantor (as defined in the Security Agreement), the Person whose Equity Interests are pledged, the number of shares of each class of Equity Interests pledged, the certificate number, if any, of such Equity Interests and percentage ownership of outstanding shares of each class of Equity Interests pledged.

(g) Properties. Set forth on Schedule 13 to the Perfection Certificate, as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14, is a list of all Mortgaged Properties (including (i) the name of the Loan Party owning such Mortgaged Property, (ii) the property address, (iii) the city, county, state and zip code which such Mortgaged Property is located and (iv) an indication if such location is leased or owned, and if leased, the name of the lessee). Set forth on Schedule 15 to the Perfection Certificate, as of the Closing Date or as of the last date such Schedule was required to be updated in accordance with Sections 6.2, 6.13 and 6.14, is a list of (A) each headquarter location of the Loan Parties, and (B) each location where any inventory is located at any premises owned or leased by a Loan Party with a Collateral value in excess of $100,000 (in each case, including (1) an indication if such location is leased or owned, (2) if leased, the name of the lessor, and if owned, the name of the Loan Party owning such property, (3) the address of such property (including, the city, county, state and zip code) and (4) to the extent owned, the approximate Fair Market Value of such property).

5.20 EEA Financial Institutions.

No Loan Party is an EEA Financial Institution.

5.21 Designation as Senior Indebtedness.

The Secured Obligations constitute "Permitted Secured Debt" or any similar designation (with respect to indebtedness that having the maximum rights as "senior debt") under and as defined in the Convertible Notes Documents.

5.22 Intellectual Property; Licenses, Etc.

The Borrower and each of its Subsidiaries own, or possess the right to use, any and all intellectual property or other similar proprietary rights throughout the world, including any and all trademarks, service marks, trade names, domain names, copyrights, design rights, patents, patent rights, licenses, technology, software, trade secrets, know-how, database rights and all related documentation, registrations, additions, improvements or accessions, and all goodwill associated with the foregoing (collectively, "IP Rights") that are used in, held for use in or otherwise necessary for the operation of their respective businesses, without conflict with the rights of any other Person which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. To the knowledge of the Borrower, the operation of the respective businesses of the Borrower or any of its Subsidiaries does not infringe upon, dilute, misappropriate or violate any rights held by any other Person, other than as, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. No claim or litigation regarding any IP Rights is pending or, to the knowledge of the Borrower, threatened, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

5.23 Labor Matters.

There are no (i) Multiemployer Plans covering the employees of the Loan Parties as of the Closing Date or (ii) collective bargaining agreements covering the employees of the Borrower or any of its Subsidiaries as of the Closing Date. Neither the Borrower nor any Subsidiary has suffered any strikes, walkouts, work stoppages or other material labor difficulty within the last five (5) years preceding the Closing Date. To the Borrower's knowledge, the Borrower has not utilized nor does it currently utilize employees or contractors who fail to comply in all material respects with Form I-9, Employment Eligibility Verification, obligations relating to the employees of the Borrower or any of its Subsidiaries or who otherwise fail to comply in all material respects with U.S. immigration Laws. To the Borrower's knowledge, neither the Borrower nor any of its Subsidiaries has received any written notices from the Social Security Administration or the U.S. Department of Homeland Security regarding a "mismatch" of employee names and Social Security Numbers or employee names and immigration-related documents.

5.24 Compliance with Laws.

Each Loan Party and each Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (i) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (ii) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.25 Affiliated Agreements.

Except as set forth on Schedule 5.25, (i) neither the Borrower nor any of its Subsidiaries is party to an existing material Affiliate Transaction and (ii) there are no Affiliate Transactions which

have been approved by the Board of Directors of the Borrower involving aggregate consideration in excess of $2,000,000.

5.26 Passive Foreign Investment Company.

To the knowledge of the Loan Parties, no Loan Party is, or has been, a "passive foreign investment company," as defined in Section 1297 of the Code, during any tax year beginning after May 31, 2012.

ARTICLE VI
AFFIRMATIVE COVENANTS

Each of the Loan Parties hereby covenants and agrees that on the Closing Date and thereafter until the Facility Termination Date, such Loan Party shall, and shall cause each of its Subsidiaries to:

6.1 Financial Statements.

Deliver to the Administrative Agent, for distribution to the Lenders, in form and detail satisfactory to the Required Lenders:

(a) Audited Financial Statements. As soon as available, but in any event within one hundred twenty (120) days after the end of each fiscal year of the Borrower, a Consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal year, and the related Consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal year, all in reasonable detail and prepared in accordance with GAAP, such Consolidated statements to be audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Required Lenders, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit (other than an exception or explanatory paragraph with respect to the maturity of any Indebtedness for an opinion delivered in the fiscal year in which such Indebtedness matures or any impending Default with respect thereto) together with a management discussion and analysis of operating results inclusive of operating metrics in comparative form.

(b) Quarterly Financial Statements. As soon as available, but in any event within forty-five (45) days after the end of each of the first three (3) fiscal quarters of each fiscal year of the Borrower (commencing with the fiscal quarter ended September 30, 2017), a Consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal quarter, and the related Consolidated statements of income or operations and cash flows for such fiscal quarter and for the portion of the Borrower's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP and including a management discussion and analysis of operating results inclusive of operating metrics in comparative form, such Consolidated statements to be certified by a Responsible Officer of the

Borrower as fairly presenting the financial condition, results of operations and cash flows of the Borrower and its Subsidiaries, subject only to normal year-end audit adjustments and the absence of footnotes.

(c) Monthly Financial Statements. To the extent requested by any Initial Lender, as soon as available, but in any event within thirty (30) days after the end of each of the months of each fiscal year of the Borrower (commencing with the month ending August 31, 2017), (i) a Consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such month, and the related Consolidated statements of income or operations and cash flows for such month and for the portion of the Borrower's fiscal year then ended setting forth in each case in comparative form for the corresponding month of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and duly certified by a Responsible Officer as fairly presenting the financial condition, results of operations and cash flows of the Borrower and its Subsidiaries, subject only to normal year-end audit adjustments and the absence of footnotes and (ii) a report setting forth key metrics, including, but not limited to, (x) the number of Ctrack fleet subscribers, and (y) the retention rate in respect of the Ctrack subscriber base, in each case as of the end of the applicable month.

(d) Business Plan and Budget. To the extent requested by any Initial Lender, as soon as available, but in any event within thirty (30) days after the end of each fiscal year of the Borrower, an annual business plan and budget of the Borrower and its Subsidiaries on a Consolidated basis, including forecasts prepared by management of the Borrower, in form satisfactory to such Lender, of Consolidated balance sheets and statements of income or operations and cash flows of the Borrower and its Subsidiaries on a monthly basis for the immediately following fiscal year.

As to any information contained in materials filed with the SEC or furnished pursuant to Section 6.2(f), the Borrower shall not be separately required to furnish such information under Section 6.1(a) or (b) above, but the foregoing shall not be in derogation of the obligation of the Borrower to furnish the information and materials described in Sections 6.1(a) and (b) above at the times specified therein.

6.2 Certificates; Other Information.

Deliver to the Administrative Agent, for distribution to the Lenders:

(a) [Reserved].

(b) Compliance Certificate. Concurrently with the delivery of the financial statements referred to in Sections 6.1(a) and (b) (commencing with the delivery of the financial statements for the fiscal quarter ended September 30, 2017), (i) a duly completed Compliance Certificate signed by the chief financial officer or Responsible Officer of the Borrower, and in the event of any change in generally accepted accounting principles used in the preparation of such financial statements, the Borrower shall also provide, if necessary for the determination of compliance with Section 7.11, a statement of reconciliation conforming such financial statements to GAAP, and (ii) a copy of a customary management's discussion and analysis with respect to such financial statements. Unless the applicable Lender requests executed originals, delivery of the Compliance Certificate may be

by electronic communication including fax or email and shall be deemed to be an original and authentic counterpart thereof for all purposes.

(c) Updated Schedules to Credit Agreement and to Perfection Certificate. Updated Schedules to (i) this Agreement and the Perfection Certificate concurrently with the delivery of, and as set forth in, the Compliance Certificate referred to in Section 6.2(b) (or, alternatively, a certification from a Responsible Officer that there has been no changes to the Schedules to this Agreement or to the Perfection Certificate, as applicable, previously delivered to the Agents and the Lenders) and (ii) the Perfection Certificate as of the date required to be delivered pursuant to Section 6.13.

(d) [Reserved].

(e) Audit Reports; Management Letters; Recommendations. Copies of any material detailed audit reports, management letters or recommendations submitted to the board of directors (or the audit committee of the board of directors) of any Loan Party by independent accountants in connection with the accounts or books of any Loan Party or any of its Subsidiaries, or any audit of any of them.

(f) Annual Reports; Etc. Copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Borrower, and copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, or with any national securities exchange, and in any case not otherwise required to be delivered to such Lender pursuant hereto.

(g) Debt Securities Statements and Reports. Copies of any statement or report furnished to any holder of debt securities of any Loan Party or of any of its Subsidiaries pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to such Lender pursuant to Section 6.1 or any other clause of this Section.

(h) SEC Notices. Copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof.

(i) Notices. Copies of all notices, requests and other documents (including amendments, waivers and other modifications) so given or received under or pursuant to any indenture, loan, credit or similar agreement and, from time to time upon reasonable request by such Lender, such information and reports regarding such indentures, loan, credit and similar agreements as such Lender may reasonably request.

(j) Environmental Notice. Notice of any action or proceeding filed against or of any noncompliance by any Loan Party or any of its Subsidiaries with any Environmental Law or Environmental Permit that could (i) reasonably be expected to have a Material Adverse Effect or

(ii) cause any property described in the Mortgages to be subject to any restrictions on ownership, occupancy, use or transferability under any Environmental Law.

(k) Additional Information. Such additional information regarding the business, financial, legal or corporate affairs of any Loan Party or any Subsidiary thereof, or compliance with the terms of the Loan Documents, as such Lender may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.1(a) or (b) or Section 6.2(f) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (a) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed on Schedule 1.1(b); or (b) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which the Administrative Agent and the Lenders have access (whether a commercial, third- party website or whether sponsored by the Administrative Agent).

6.3 Notices.

Promptly, but in any event within two (2) Business Days, notify the Administrative Agent (which shall make such notice available to the Lenders):

(a) of the occurrence of any Default;

(b) of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect, including, but not limited to, (i) breach or non-performance of, or any default under, a Contractual Obligation of the Borrower or any Subsidiary; (ii) any dispute, litigation, investigation, proceeding or suspension between the Borrower or any Subsidiary and any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting the Borrower or any Subsidiary, including pursuant to any applicable Environmental Laws;

(c) of the occurrence of any ERISA Event;

(d) of any material change in accounting policies or financial reporting practices by any Loan Party or any Subsidiary thereof; and

(e) of any (i) occurrence of any Disposition of property or assets for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.5(b)(i), (ii) issuance of Indebtedness for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.5(b)(ii), (iii) receipt of any Extraordinary Receipt for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.5(b)(iii), (iv) receipt of any termination or break-up fee in connection with the sale of the MiFi Business for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.5(b)(iv) and (v) the entry of any judgment, order or settlement relating to the Feeney Earnout.

Each notice pursuant to this Section 6.3 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and to the extent

applicable, stating what action the Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.3(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.4 Payment of Obligations.

Pay and discharge as the same shall become due and payable, all its obligations and liabilities, including (i) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Borrower or such Subsidiary; (ii) all lawful claims which, if unpaid, would by law become a Lien upon its property; and (iii) all Indebtedness, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness; provided that such payment and discharge shall not be required where failure to make such payment would not reasonably be expected to have a Material Adverse Effect.

6.5 Preservation of Existence, Etc.

(a) Preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.4 or 7.5;

(b) take all reasonable action to maintain all rights, privileges, permits, governmental licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and

(c) preserve, protect, renew and, subject to the reasonable good faith judgment of the Borrower, obtain and enforce all of the IP Rights of the Borrower and its Subsidiaries, except to the extent that failure to do so could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

6.6 Maintenance of Properties.

(a) Maintain, preserve and protect all of its material tangible properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; and

(b) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.7 Maintenance of Insurance.

(a) Maintenance of Insurance. Maintain with financially sound and reputable insurance companies not Affiliates of the Borrower, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried by companies engaged

in similar businesses and owning similar properties in localities where the applicable Loan Party or the applicable Subsidiary operates.

(b) Evidence of Insurance. Cause the Collateral Agent to be named as loss payee or mortgagee, as its interest may appear, and/or additional insured with respect of any such insurance providing liability coverage or coverage in respect of any Collateral, and cause, unless otherwise agreed to by the Required Lenders, each provider of any such insurance to agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to the Collateral Agent that it will give the Collateral Agent thirty (30) days prior written notice (which notice shall be promptly delivered to the Lenders) before any such policy or policies shall be altered or cancelled (or ten (10) days prior notice in the case of cancellation due to the nonpayment of premiums). Annually, upon expiration of current insurance coverage, the Loan Parties shall provide, or cause to be provided, to the Administrative Agent, for distribution to the Lenders, such evidence of insurance as required by the Lenders, including, but not limited to: (i) copies of such insurance policies, (ii) declaration pages for each insurance policy and (iii) lender's loss payable endorsement if the Collateral Agent, for the benefit of the Secured Parties, is not on the declarations page for such policy. The Collateral Agent shall, upon receipt of any proceeds from any such insurance, deliver such proceeds to the Borrower unless an Event of Default shall exist.

(c) Redesignation. Promptly notify the Collateral Agent and the Lenders of any Mortgaged Property that is, or becomes, a Flood Hazard Property.

6.8 Compliance with Laws.

Comply with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.9 Books and Records.

Maintain proper books of record and account, in which full, true and correct in all material respects entries shall be made of all material financial transactions and matters involving the assets and business of such Loan Party or such Subsidiary, as the case may be.

6.10 Inspection Rights.

Permit representatives and independent contractors of the Administrative Agent or any Initial Lender, no more than four (4) times during the term of this Agreement unless an Event of Default has occurred and is continuing, to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at the expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower; provided, however, that when an Event of Default exists the Administrative Agent (or any of its respective

representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and without advance notice.

6.11 Use of Proceeds.

Use the proceeds of the Loans to pay Indebtedness owed in respect of the Existing Credit Agreement, the payment of fees and expenses under the Loan Documents and for other general corporate purposes not in contravention of any Law or of any Loan Document.

6.12 Covenant to Guarantee Obligations.

(a) The Loan Parties will cause each of their Subsidiaries (other than any CFC or any direct or indirect Subsidiary of a CFC) whether newly formed, after acquired or otherwise existing (within thirty (30) days after such Subsidiary is formed or acquired (or such longer period of time as agreed to by the Required Lenders in their reasonable discretion)) to become a Guarantor hereunder by way of execution of a Joinder Agreement; provided, however, no Foreign Subsidiary shall be required to become a Guarantor to the extent such Guaranty would result in a material adverse tax consequence for the Borrower. In connection therewith, the Loan Parties shall give notice to the Administrative Agent (for prompt distribution to the Lenders) not less than ten (10) days prior to creating a Subsidiary (or such shorter period of time as agreed to by the Required Lenders in their reasonable discretion), or acquiring the Equity Interests of any other Person. In connection with the foregoing, the Loan Parties shall deliver to the Administrative Agent, for prompt distribution to the Lenders, with respect to each new Guarantor to the extent applicable, substantially the same documentation required pursuant to clauses (b)-(e) and (j) of Article IV and 6.13 and such other documents or agreements as the Lenders may reasonably request, including without limitation, updated schedules to the Perfection Certificate.

(b) Notwithstanding any provision of this Agreement or any other Loan Document to the contrary, unless otherwise agreed in writing by the Borrower, (a) no more than 65% of the voting stock in any CFC that is a direct (first-tier) Subsidiary of a Loan Party shall be directly or indirectly pledged or similarly hypothecated to guarantee or support any obligation of the Borrower (aggregating all arrangements that result in a direct or indirect pledge of such stock), (b) for the avoidance of doubt, no stock of any Subsidiary of a CFC shall be directly or indirectly pledged or similarly hypothecated to guarantee or support any obligation of the Borrower (aggregating all arrangements that result in a direct or indirect pledge of such stock), (c) no CFC (or any Subsidiary of a CFC) shall guarantee or support any obligation of the Borrower, and (d) no security or similar interest shall be granted in the assets of any CFC (or any Subsidiary of a CFC), which security or similar interest guarantees or supports any obligation of the Borrower. The parties hereto agree that any pledge, guaranty or security or similar interest made or granted in contravention of this Section 6.12(b) shall be void ab initio.

6.13 Covenant to Give Security.

Except with respect to Excluded Property:

(a) Equity Interests and Personal Property. Each Loan Party will cause the Pledged Equity and all of its tangible and intangible personal property now owned or hereafter acquired by it to be subject at all times to a first priority, perfected Lien (subject to Permitted Liens to the extent permitted by the Loan Documents) in favor of the Collateral Agent for the benefit of the Secured Parties to secure the Secured Obligations pursuant to the terms and conditions of the Collateral Documents. Each Loan Party shall provide opinions of counsel and any filings and deliveries reasonably necessary in connection therewith to perfect the security interests therein, all in form and substance reasonably satisfactory to the Collateral Agent and the Lenders.

(b) Real Property. If any Loan Party acquires any Real Estate after the Closing Date constituting Material Real Estate, it shall promptly provide to the Administrative Agent and the Lenders notice of such acquisition with details as to such Material Real Estate and within thirty (30) days thereafter, shall execute and deliver to the Collateral Agent a Mortgage and such other documentation as the Required Lenders may request to cause such Material Real Estate to be subject at all times to a first priority, perfected Lien (subject in each case to Permitted Liens) in favor of the Collateral Agent for the benefit of the Secured Parties to secure the Secured Obligations pursuant to the terms and conditions of the Collateral Documents together with (i) a policy of title insurance insuring the Lien of such Mortgage in an amount equal to 110% of the Fair Market Value as reasonably estimated by the Borrower in consultation with the Lenders, (ii) if requested by the Required Lenders, a current survey of such Material Real Estate and surveyor's certificate, (iii) a legal opinion relating to such Mortgage, which opinion shall be in form and substance, and from counsel, reasonably satisfactory to the Required Lenders. In connection with the foregoing, no later than twenty (20) Business Days prior to the date on which a Mortgage is executed and delivered pursuant to this Section 6.13, in order to comply with the Flood Laws, the Administrative Agent and the Lenders shall have received the following documents: (A) a completed standard "life of loan" flood hazard determination form and such other documents as the Collateral Agent and any Lender may reasonably request to complete its flood due diligence, (B) if the Material Real Estate is a Flood Hazard Property, a notification to the applicable Loan Party (if applicable) (a "Flood Notice") that flood insurance coverage under the NFIP is not available because the community does not participate in the NFIP, (C) documentation evidencing the applicable Loan Party's receipt of any such Flood Notice (e.g., countersigned Flood Notice), and (D) if the Flood Notice is required to be given and, to the extent flood insurance is required by the Flood Laws or the Collateral Agent's written regulatory or compliance procedures and flood insurance is available in the community in which the property is located, a copy of one of the following: the flood insurance policy, the applicable Loan Party's application for a flood insurance policy plus proof of premium payment, a declaration page confirming that flood insurance has been issued, or such other evidence of flood insurance that complies with the Flood Laws reasonably satisfactory to the Collateral Agent and the Required Lenders.

(c) Landlord Waivers. The Loan Parties shall use commercially reasonable efforts to secure a landlord waiver with respect to the facility located on Nancy Ridge in San Diego, California in form and substance satisfactory to the Collateral Agent and the Required Lenders within one hundred eighty (180) days of the Closing Date.

(d) Account Control Agreements. Subject to Section 6.17, each of the Loan Parties shall not open, maintain or otherwise have any deposit or other accounts (including securities accounts) at any bank or other financial institution, or any other account where money or securities are or may be deposited or maintained with any Person, other than (a) deposit accounts that are maintained at all times with depositary institutions as to which the Collateral Agent shall have received a Qualifying Control Agreement, (b) securities accounts that are maintained at all times with financial institutions as to which the Collateral Agent shall have received a Qualifying Control Agreement, (c) deposit accounts established solely as payroll and other zero balance accounts and (d) other deposit accounts, so long as at any time the aggregate balance in all such accounts does not exceed $100,000.

(e) Updated Schedules. Concurrently with the delivery of any Collateral pursuant to the terms of this Section, the Borrower shall provide the Administrative Agent with the applicable updated Schedules to the Perfection Certificate.

(f) Further Assurances. At any time upon request of the Collateral Agent or the Required Lenders through the Collateral Agent, promptly execute and deliver any and all further instruments and documents and take all such other action as the Required Lenders may deem necessary or desirable to maintain in favor of the Collateral Agent, for the benefit of the Secured Parties, Liens and insurance rights on the Collateral that are duly perfected in accordance with the requirements of, or the obligations of the Loan Parties under, the Loan Documents and all applicable Laws.

6.14 Further Assurances.

Promptly upon request by the Collateral Agent, or the Required Lenders through the Collateral Agent, (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (b) 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 Collateral Agent or the Required Lenders may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Loan Documents, (ii) to the fullest extent permitted by applicable Law, subject any Loan Party's or any of its Subsidiaries' properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Secured Parties the rights granted or now or hereafter intended to be granted to the Secured Parties under any Loan Document or under any other instrument executed in connection with any Loan Document.

6.15 Compliance with Environmental Laws.

Comply, and cause all lessees and other Persons operating or occupying its properties to comply, in all material respects, with all applicable Environmental Laws and Environmental Permits; obtain and renew all Environmental Permits necessary for its operations and properties; and conduct any investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other action necessary to remove and clean up all Hazardous Materials from any of its properties,

in accordance with the requirements of all Environmental Laws; provided, however, that neither the Borrower nor any of its Subsidiaries shall be required to undertake any such cleanup, removal, remedial or other action to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances in accordance with GAAP.

6.16 Anti-Corruption Laws.

Conduct its business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions and maintain policies and procedures designed to promote and achieve compliance with such laws.

6.17 Post-Closing Obligations.

As promptly as practicable, and in any event within the time periods after the Closing Date specified in Schedule 6.17 (or such later date as the Required Lenders may agree) the Loan Parties shall deliver the documents or take the actions specified on Schedule 6.17 that would have been required to be delivered or taken on the Closing Date.

ARTICLE VII
NEGATIVE COVENANTS

Each of the Loan Parties hereby covenants and agrees that on the Closing Date and thereafter until the Facility Termination Date, no Loan Party shall, nor shall it permit any Subsidiary to, directly or indirectly:

7.1 Liens.

Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, except for the following (the "Permitted Liens"):

(a) Liens pursuant to any Loan Document;

(b) Liens existing on the Closing Date and listed on Schedule 7.1 and any renewals or extensions thereof, provided that (i) the property covered thereby is not changed, (ii) the amount secured or benefited thereby to the extent constituting Indebtedness is not increased except as contemplated by Section 7.2(b), (iii) the direct or any contingent obligor with respect thereto is not changed, and (iv) any renewal or extension of the obligations secured or benefited thereby is permitted by Section 7.2(b);

(c) Liens for taxes not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(d) Statutory Liens such as carriers', warehousemen's, mechanics', materialmen's, repairmen's, landlord's, supplier's, laborer's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than thirty (30) days or which are being contested in good faith and by appropriate proceedings diligently conducted; provided adequate reserves with respect thereto are maintained on the books of the applicable Person;

(e) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(f) deposits to secure the performance of bids, trade contracts (including with suppliers) and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, including reimbursement and indemnification obligations, incurred in the ordinary course of business;

(g) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) [reserved];

(i) Liens securing Indebtedness permitted under Section 7.2(c); provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and (ii) the Indebtedness secured thereby does not exceed the cost or Fair Market Value, whichever is lower, of the property being acquired on the date of acquisition;

(j) 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 the Borrower or any of its Subsidiaries, in each case in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing solely the customary amounts owing to such bank with respect to cash management and operating account arrangements; provided, that in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(k) Liens arising out of judgments or awards not resulting in an Event of Default; provided the applicable Loan Party or Subsidiary shall in good faith be prosecuting an appeal or proceedings for review;

(l) any interest or title of a lessor, licensor, sublicensor or sublessor under any lease, license, sublicense or sublease entered into by any Loan Party or any Subsidiary thereof in the ordinary course of business, consistent with past practice and covering only the assets so leased, licensed, sublicensed or subleased;

(m) [reserved];

(n) Liens on property of a Person existing at the time of a Permitted Acquisition or such Person is merged into or consolidated with the Borrower or any Subsidiary of the Borrower or becomes a Subsidiary of the Borrower; provided that such Liens were not created in contemplation of such Permitted Acquisition or merger, consolidation or Investment and do not extend to any assets other than those of the Person merged into or consolidated with the Borrower or such Subsidiary or acquired by the Borrower or such Subsidiary, and the applicable Indebtedness secured by such Lien is permitted under Section 7.2(f);

(o) [reserved];

(p) Liens in favor of Wells Fargo Bank, N.A. securing the Borrowers' obligation to reimburse Wells Fargo Bank, N.A. for any fees, costs and expenses associated with or arising from legal fees, Deposit Accounts, securities accounts, credit, purchase or debit cards and treasury management products; provided that in no event shall the obligations secured by this clause (p) exceed $350,000 any one time outstanding;

(q) Liens securing the Indebtedness permitted under Section 7.2(p) in an amount not to exceed 110.00% of the amount of such Indebtedness;

(r) [reserved];

(s) Liens 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; and

(t) other Liens securing Indebtedness outstanding in an aggregate principal amount not to exceed $250,000.

7.2 Indebtedness.

Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under the Loan Documents;

(b) the Indebtedness outstanding on the Closing Date (and the commitments therefor in an aggregate amount not to exceed the amount of such commitments as of the Closing Date) and listed on Schedule 7.2 and any Permitted Refinancing thereof;

(c) Indebtedness in respect of Capitalized Leases, Synthetic Lease Obligations and purchase money obligations for fixed or capital assets within the limitations set forth in Section 7.1(i); provided, however, that the aggregate amount of all such Indebtedness at any one time outstanding shall not exceed $3,000,000 (inclusive of Indebtedness in respect of Capitalized Leases, Synthetic Lease Obligations and purchase money obligations listed on Schedule 7.2);

(d) unsecured Indebtedness of the Borrower or a Subsidiary of the Borrower owed to the Borrower or a Subsidiary of the Borrower, which Indebtedness shall (i) to the extent in an amount in excess of $250,000 individually, be evidenced by promissory notes which shall be pledged to the Collateral Agent as Collateral for the Secured Obligations in accordance with the terms of the

Security Agreement, (ii) be on terms (including subordination terms) reasonably acceptable to the Required Lenders and (iii) be otherwise permitted under the provisions of Section 7.3 ("Intercompany Debt");

(e) Guarantees of the Borrower or any Guarantor in respect of Indebtedness otherwise permitted hereunder of the Borrower or any other Guarantor;

(f) Indebtedness of any Person that becomes a Subsidiary of the Borrower after the date hereof in a transaction permitted hereunder in an aggregate principal amount not to exceed $750,000; provided that such Indebtedness is existing at the time such Person becomes a Subsidiary of the Borrower and was not incurred solely in contemplation of such Person's becoming a Subsidiary of the Borrower);

(g) obligations (contingent or otherwise) existing or arising under any Swap Contract, provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or foreign exchange rates and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party; provided that the aggregate Swap Termination Value thereof shall not exceed $500,000 at any time outstanding;

(h) Subordinated Indebtedness incurred in the ordinary course of business for borrowed money, maturing on or after December 15, 2020 not to exceed $250,000 at any time outstanding;

(i) Indebtedness incurred by Subsidiaries not to exceed $250,000 at any one time outstanding;

(j) obligations under corporate credit cards, netting services and similar services incurred in the ordinary course of business;

(k) unsecured Indebtedness (including, but not limited to, earnouts) of the Borrower that is incurred on the date of the consummation of a Permitted Acquisition solely for the purpose of consummating such Permitted Acquisition so long as (i) no Event of Default has occurred and is continuing or would result therefrom, (ii) such unsecured Indebtedness is not incurred for working capital purposes, (iii) such unsecured Indebtedness does not mature prior to December 15, 2020, and (iv) such Indebtedness is subordinated in right of payment to the Obligations on terms and conditions reasonably satisfactory to the Initial Lenders;

(l) Indebtedness evidenced by the Convertible Senior Notes in an aggregate principal amount at any time outstanding not to exceed $104,875,000;

(m) Indebtedness evidenced by the Novatel Convertible Senior Notes in an aggregate principal amount at any time outstanding not to exceed $250,000;

(n) other unsecured Indebtedness in an aggregate principal amount not to exceed $250,000 at any time outstanding;

(o) the Feeney Earnout; and

(p) letters of credit outstanding in favor of suppliers and landlords in an amount at any one time outstanding not to exceed $3,000,000, including any Permitted Refinancing thereof.

7.3 Investments.

Make or hold any Investments, except:

(a) Investments held by the Borrower and its Subsidiaries in the form of cash or Cash Equivalents, bank deposits in the ordinary course of business, negotiable instruments deposited in the ordinary course of business;

(b) advances made in connection with the purchase of goods or services in the ordinary course of business;

(c) (i) Investments by the Borrower and its Subsidiaries in their respective Subsidiaries outstanding on the date hereof, (ii) additional Investments by the Borrower and its Subsidiaries in Loan Parties, (iii) additional Investments by Subsidiaries of the Borrower that are not Loan Parties in other Subsidiaries that are not Loan Parties and (iv) so long as no Default has occurred and is continuing or would result from such Investment, additional Investments by the Loan Parties in Subsidiaries that are not Loan Parties in an aggregate amount invested after the date hereof not to exceed $2,000,000;

(d) [reserved];

(e) Guarantees permitted by Section 7.2 and Liens permitted by Section 7.1 to the extent constituting an Investment;

(f) [reserved];

(g) Permitted Acquisitions, and Investments held by the target of any Permitted Acquisition (other than of CFCs and Subsidiaries held directly or indirectly by a CFC which Investments are covered by Section 7.3(c)(iv));

(h) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business; and

(i) other Investments in an aggregate principal amount not to exceed $250,000 at any time outstanding.

7.4. Fundamental Changes.

Merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as no Default exists or would result therefrom:

(a) any Subsidiary may merge, dissolve or liquidate into or consolidate with (i) the Borrower; provided that the Borrower shall be the continuing or surviving Person, or (ii) any one or more other Subsidiaries, provided that when any Loan Party is merging with another Subsidiary, such Loan Party shall be the continuing or surviving Person;

(b) any Loan Party may Dispose of any of its assets (upon voluntary liquidation or otherwise) to the Borrower or to another Loan Party;

(c) any Subsidiary that is not a Loan Party may dispose any of its assets (including any Disposition that is in the nature of a liquidation) to (i) another Subsidiary that is not a Loan Party or (ii) to a Loan Party;

(d) in connection with any Permitted Acquisition, any Subsidiary of the Borrower may merge, dissolve or liquidate into or consolidate with any other Person (other than the Borrower) or permit any other Person (other than the Borrower) to merge, liquidate or dissolve into or consolidate with it; provided that (i) the Person surviving such merger shall be a wholly-owned Subsidiary of the Borrower and (ii) in the case of any such merger, dissolution, liquidation or consolidation to which any Subsidiary of the Borrower that is a Loan Party is a party, such Loan Party is the surviving Person; and

(e) so long as no Default has occurred and is continuing or would result therefrom, each of the Borrower and any of its Subsidiaries may merge into or consolidate with any other Person or permit any other Person to merge into or consolidate with it; provided, however, that in each case, immediately after giving effect thereto (i) in the case of any such merger to which the Borrower is a party, the Borrower is the surviving Person and (ii) in the case of any such merger to which any Loan Party (other than the Borrower) is a party, such Loan Party is the surviving Person.

7.5 Dispositions.

Make any Disposition or enter into any agreement to make any Disposition, except:

(a) Permitted Transfers;

(b) Dispositions of obsolete, damaged or worn out property, whether now owned or hereafter acquired, in the ordinary course of business;

(c) Dispositions of equipment or real property for Fair Market Value to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are reasonably promptly applied to the purchase price of such replacement property;

(d) non-exclusive licenses, non-exclusive sublicenses, leases or subleases for Fair Market Value granted to third parties in the ordinary course of business and consistent with past practice;

(e) the lapse, abandonment or other dispositions of intellectual property, in the ordinary course of business and consistent with past practice, that is, in the reasonable good faith judgment of a Loan Party, no longer economically practicable or commercially desirable to maintain or necessary for the conduct of the business of the Loan Parties or any of their Subsidiaries;

(f) Dispositions permitted by Sections 7.1, 7.3, 7.4 or 7.6;

(g) the sale or other Disposition of non-core Intellectual Property used in the MiFi Business to third parties to the extent licensed back to Borrower or another Loan Party (each, a "Permitted IP Disposition");

(h) the sale or issuance of Equity Interests (i) of the Borrower to any Person and (ii) of any Subsidiary of the Borrower to the Borrower or any other wholly-owned Subsidiary of the Borrower; and

(i) other Dispositions for Fair Market Value so long as (x) at least seventy-five percent (75%) of the consideration paid in connection therewith shall be cash or Cash Equivalents paid contemporaneously with consummation of such Disposition, (y) such transaction does not involve the sale or other Disposition of a minority Equity Interest in any Subsidiary and (z) except with respect to any Disposition of all or a portion of the MiFi Business, the Ctrack Business in New Zealand and/or Australia, the real estate owned by the Borrower's Subsidiaries and used in the Ctrack Business, or the Equity Interests of the Persons that service the Ctrack Business in New Zealand and/or Australia, the aggregate net book value of all of the assets sold or otherwise Disposed of by the Loan Parties and their Subsidiaries pursuant to this Section 7.5(i) shall not exceed $1,000,000 for all such transactions in any fiscal year of the Borrower.

7.6 Restricted Payments.

Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that, so long as no Default shall have occurred and be continuing at the time of any action described below or would result therefrom:

(a) each Subsidiary may make Restricted Payments to any Person that owns Equity Interests in such Subsidiary, ratably according to their respective holdings of the type of Equity Interest in respect of which such Restricted Payment is being made;

(b) the Borrower and each Subsidiary may declare and make dividend payments or other distributions payable solely in common Equity Interests of such Person;

(c) payments to redeem or otherwise acquire existing stock of the Borrower so long as any consideration used to make such payments is delivered solely from the issuance of new Equity Interests by the Borrower after the Closing Date;

(d) payments of interest on the Convertible Senior Notes and the Novatel Convertible Senior Notes; and

(e) Borrower may issue common Equity Interests in connection with the conversion of the Convertible Senior Notes and Novatel Convertible Senior Notes and make payment of cash in lieu of fractional shares in connection therewith.

7.7 Change in Nature of Business.

Engage in any material line of business substantially different from those lines of business conducted by the Borrower and its Subsidiaries on the date hereof or any business substantially related or incidental thereto. Without limitation of the foregoing, neither the Borrower nor any of its Subsidiaries will become a "passive foreign investment company" as such term is defined in Section 1297 of the Code.

7.8 Transactions with Affiliates.

Enter into or permit to exist any transaction or series of transactions with any officer, director or Affiliate of such Person (each, an "Affiliate Transaction") other than (a) advances of working capital to any Loan Party, (b) transfers of cash and assets to any Loan Party, (c) intercompany transactions expressly permitted by this Agreement, (d) reasonable compensation and reimbursement of expenses of officers and directors and (e) except as otherwise specifically limited in this Agreement, other transactions which are entered into in the ordinary course of such Person's business on fair and reasonable terms and conditions substantially as favorable to such Person as would be obtainable by it in a comparable arms-length transaction with a Person other than an officer, director or Affiliate; provided that for purposes of this clause (e), any such Affiliate Transaction involving aggregate consideration in excess of $2,000,000 shall have been approved by the board of directors or equivalent governing body of the Borrower.

7.9 Burdensome Agreements.

With respect to the Loan Parties, enter into, or permit to exist, any Contractual Obligation (except for this Agreement and the other Loan Documents) that (a) encumbers or restricts the ability of any such Person to (i) to act as a Loan Party; (ii) make Restricted Payments to any Loan Party, (iii) pay any Indebtedness or other obligation owed to any Loan Party, (iv) make loans or advances to any Loan Party, or (v) create any Lien upon any of their properties or assets, whether now owned or hereafter acquired, except, in the case of any of the foregoing, for (A) any document or instrument governing Indebtedness incurred pursuant to Section 7.2(c), provided that any such restriction contained therein relates only to the asset or assets constructed or acquired in connection therewith, (B) any Permitted Lien, (C) customary restrictions and conditions contained in any agreement related to a disposition permitted by this Agreement, (D) applicable Laws, or (E) customary provisions in contracts prohibiting assignment or (b) requires the grant of any Lien on property or securities for any obligation if a Lien on such property is given as security for the Secured Obligations.

7.10 Use of Proceeds.

Use the proceeds of the Loans, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

7.11 Financial Covenant.

Minimum Liquidity: At any time, permit Liquidity to be less than $5,000,000.

7.12 Capital Expenditures.

Make Capital Expenditures (inclusive of capitalized software development expenses) in excess of $12,000,000, in the aggregate, during any Measurement Period.

7.13 Amendments of Organization Documents; Fiscal Year; Legal Name, State of Formation; Form of Entity and Accounting Changes.

(a) Amend any of its Organization Documents in a manner materially adverse to the Agents or the Lenders;

(b) change its fiscal year;

(c) without providing ten (10) days prior written notice to the Collateral Agent for distribution to the Lenders (or such extended period of time as may be agreed to by the Required Lenders), change its name, state of formation, form of organization or principal place of business; or

(d) make any change in accounting policies or reporting practices, except as required by GAAP.

7.14 Sale and Leaseback Transactions.

Enter into any Sale and Leaseback Transaction except with respect to the real estate owned by the Borrower's Subsidiaries and used in the Ctrack Business.

7.15 Payments, Etc. of Indebtedness.

Prepay, redeem, purchase, pay, defease or otherwise satisfy or obligate itself to do so (x) any Indebtedness existing and/or incurred pursuant to Section 7.2(o), (y) any other Indebtedness prior to the scheduled maturity thereof in any manner (including by the exercise of any right of setoff) or (z) any obligations or amounts due in respect of the Feeney Earnout, or make any payment in violation of any subordination, standstill or collateral sharing terms of or governing, such Indebtedness except in the case of this clause (y), (a) the prepayment of the Loans in accordance with the terms of this Agreement and (b) regularly scheduled or required repayments or redemptions of Indebtedness under the Indebtedness set forth in Schedule 7.2 and any Permitted Refinancing thereof; provided, that notwithstanding the foregoing, the Borrower and its Subsidiaries may make

payments in cash and/or in common Equity Interests of the Borrower in respect of the Feeney Earnout pursuant to (i) any settlement entered into in respect thereof or (ii) any final judgment or award in respect thereof, so long as in each case (A) immediately after giving effect thereto and to the prepayment described in the following clause (B), Liquidity shall be not less than $5,000,000, (B) simultaneously with the making of any such cash payment, the Borrower shall make a prepayment of the Loans in an amount equal to 50% of the amount of such cash payment (with such prepayment of the Loans being accompanied by any accrued interest thereon and any applicable Loan Payment Fees) and (C) no Default or Event of Default shall have occurred and be continuing or would exist after giving effect to such cash payment and/or issuance of such common Equity Interests of the Borrower.

7.16 Amendment, Etc. of Indebtedness.

(a) Amend, modify or change in any manner any term or condition of any Convertible Notes Document or Novatel Convertible Notes Document or give any consent, waiver or approval thereunder; provided that the Convertible Notes Documents and the Novatel Convertible Notes Documents and the Convertible Senior Notes and the Novatel Convertible Notes may be amended or modified to extend the amortization or maturity of the indebtedness evidenced thereby, reduce the interest rate thereon, or otherwise amend or modify the terms thereof so long as the terms of any such amendment or modification are no more restrictive on the Loan Parties than the terms of such documents as in effect on the date hereof;

(b) take any other action in connection with any Convertible Notes Document or Novatel Convertible Notes Document that would impair the value of the interest or rights of any Loan Party thereunder or that would impair the rights or interests of any Agent or the Lenders; or

(c) amend, modify or change in any manner any term or condition of any Indebtedness (other than Indebtedness arising under the Loan Documents) if such amendment or modification would add or change any terms in a manner adverse to any Loan Party or any Subsidiary, or shorten the final maturity or average life to maturity or require any payment to be made sooner than originally scheduled or increase the interest rate applicable thereto.

7.17 [Reserved].

7.18 Sanctions.

Directly or indirectly, use the Loans or the proceeds of the Loans, or lend, contribute or otherwise make available the Loans or the proceeds of the Loans to any Person, to fund any activities of or business with any Person, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person of Sanctions.

7.19 Anti-Corruption Laws.

Directly or indirectly, use any proceeds of the Loans for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti- corruption legislation in other jurisdictions.

ARTICLE VIII
EVENTS OF DEFAULT AND REMEDIES

8.1 Events of Default.

Any of the following shall constitute an "Event of Default":

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan, or (ii) within five (5) days after the same becomes due, any interest on any Loan, or any fee due hereunder or any other amount payable hereunder or any amount payable under any other Loan Document; or

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 6.1, 6.2, 6.3, 6.5, 6.10, 6.11, 6.12, 6.13 or Article VII; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in Section 8.1(a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty (30) days; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect in any material respect when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary thereof (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or (B) fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or require a Loan Party or any Subsidiary thereof to make an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event

of default under such Swap Contract as to which a Loan Party or any Subsidiary thereof is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as so defined) under such Swap Contract as to which a Loan Party or any Subsidiary thereof is an Affected Party (as so defined) and, in either event, the Swap Termination Value owed by such Loan Party or Subsidiary thereof as a result thereof is greater than the Threshold Amount provided that with respect to a default under clause (i)(B), notwithstanding anything to the contrary herein, if at any time such default is cured or waived prior to the Agents or the Lenders exercising any remedies under Section 8.02, and such third party no longer has any right to exercise any rights or remedies in connection with such default at such time, then, as of such time, there shall be no Event of Default under such clause (i)(B) with respect to such default; or

(f) Insolvency Proceedings, Etc. Any Loan Party or any Subsidiary thereof institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty (60) calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. Any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any Loan Party or any of its Subsidiaries and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party or any Subsidiary thereof (i) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding $500,000 (to the extent not covered by independent third-party insurance as to which the insurer has been notified of the potential claim and does not dispute coverage), or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of ten (10) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, or (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace

period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. 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 or satisfaction in full of all Obligations arising under the Loan Documents, ceases to be in full force and effect; or any Loan Party contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any provision of any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document or it is or becomes unlawful for a Loan Party to perform any of its obligations under the Loan Documents; or

(k) Collateral Documents. Any Collateral Document after delivery thereof pursuant to the terms of the Loan Documents shall for any reason cease to create a valid and perfected first priority Lien (subject to Permitted Liens) on the Collateral purported to be covered thereby, or any Loan Party shall assert the invalidity of such Liens; or

(l) Change of Control. There occurs any Change of Control; or

(m) Material Adverse Effect. There occurs a Material Adverse Effect.

If a Default shall have occurred under the Loan Documents, then such Default will continue to exist until it either is cured (to the extent specifically permitted) in accordance with the Loan Documents or is otherwise expressly waived by Required Lenders as determined in accordance with Section 10.1; and once an Event of Default occurs under the Loan Documents, then such Event of Default will continue to exist until it is expressly waived by the Required Lenders, as required hereunder in Section 10.1.

9.2 Remedies upon Event of Default.

If any Event of Default occurs and is continuing, the Agents shall, at the request of, or may, with the consent of, the Required Lenders take any or all of the following actions:

(a) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document, including the applicable Loan Payment Fees, to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower; and

(b) exercise all rights and remedies available to it under the Loan Documents or applicable Law or equity; provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States the unpaid principal amount of the Loans and all interest and other amounts

as aforesaid, including the applicable Loan Payment Fees, shall automatically become due and payable without further act of any Person.

8.3 Application of Funds.

After the exercise of remedies provided for in Section 8.2 (or after the Loans has automatically become immediately due and payable) or if at any time insufficient funds are received by and available to the Agents to pay fully all Secured Obligations then due hereunder, any amounts received on account of the Secured Obligations shall be applied:

(a) first, to payment or reimbursement of that portion of the Secured Obligations constituting fees, expenses and indemnities (including legal fees and expenses) payable to the Agents in their capacities as such;

(b) second, pro rata to payment or reimbursement of that portion of the Secured Obligations constituting fees (other than the Loan Payment Fees), expenses and indemnities payable to the Lenders;

(c) third, pro rata to payment of accrued and unpaid interest on the Loans and the applicable Loan Payment Fees;

(d) fourth, pro rata to payment of principal outstanding on the Loans;

(e) fifth, pro rata to any other Secured Obligations; and

(f) sixth, any excess, after all of the Secured Obligations shall have been indefeasibly paid in full in cash, shall be paid to the Borrower or as otherwise required by applicable Law.

ARTICLE IX
CONTINUING GUARANTY

9.1 Guaranty.

Each Guarantor hereby absolutely and unconditionally, jointly and severally, guarantees, as primary obligor and as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all of the Secured Obligations, whether for principal, interest, premiums, fees, indemnities, damages, costs, expenses or otherwise, of the Borrower to the Secured Parties, arising hereunder or under any other Loan Document (including all renewals, extensions, amendments, refinancings and other modifications thereof and all costs, attorneys' fees and expenses incurred by the Secured Parties in connection with the collection or enforcement thereof to the extent not the result of any dispute among the parties hereto in which the Loan Parties are the prevailing party) (for each Guarantor, subject to the proviso in this sentence, its "Guaranteed Obligations"); provided that the liability of each Guarantor individually with respect to this Guaranty shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of any applicable state law

or other applicable Law. The Administrative Agent's and the Lenders' books and records showing the amount of the Secured Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon each Guarantor, and conclusive, absent manifest error, for the purpose of establishing the amount of the Secured Obligations. This Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Secured Obligations or any instrument or agreement evidencing any Secured Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Secured Obligations which might otherwise constitute a defense to the obligations of the Guarantors, or any of them, under this Guaranty, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

9.2 Rights of Lenders.

Each Guarantor consents and agrees that the Secured Parties may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Secured Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Guaranty or any Secured Obligations; (c) apply such security and direct the order or manner of sale thereof as the Lenders in their sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Secured Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of such Guarantor under this Guaranty or which, but for this provision, might operate as a discharge of such Guarantor.

9.3 Certain Waivers.

Each Guarantor waives (a) any defense arising by reason of any disability or other defense of the Borrower or any other guarantor, or the cessation from any cause whatsoever (including any act or omission of any Secured Party) of the liability of the Borrower or any other Loan Party; (b) any defense based on any claim that such Guarantor's obligations exceed or are more burdensome than those of the Borrower or any other Loan Party; (c) the benefit of any statute of limitations affecting any Guarantor's liability hereunder; (d) any right to proceed against the Borrower or any other Loan Party, proceed against or exhaust any security for the Secured Obligations, or pursue any other remedy in the power of any Secured Party whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by any Secured Party; and (f) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable Law limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Secured Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Secured Obligations.

9.4 Obligations Independent.

The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Secured Obligations and the obligations of any other guarantor, and a separate action may be brought against each Guarantor to enforce this Guaranty whether or not the Borrower or any other person or entity is joined as a party.

9.5 Subrogation.

No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guaranty until all of the Secured Obligations and any amounts payable under this Guaranty have been indefeasibly paid and performed in full and the Facility is terminated. If any amounts are paid to a Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Secured Parties to reduce the amount of the Secured Obligations, whether matured or unmatured.

9.6 Termination; Reinstatement.

This Guaranty is a continuing and irrevocable guaranty of all Secured Obligations now or hereafter existing and shall remain in full force and effect until the Facility Termination Date. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of the Borrower or a Guarantor is made, or any of the Secured Parties exercises its right of setoff, if any, in respect of the Secured Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by any of the Secured Parties in their discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Secured Parties are in possession of or have released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under this paragraph shall survive termination of this Guaranty.

9.7 Stay of Acceleration.

If acceleration of the time for payment of any of the Secured Obligations is stayed, in connection with any case commenced by or against a Guarantor or the Borrower under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by each Guarantor, jointly and severally, immediately upon demand by the Secured Parties.

9.8 Condition of Borrower.

Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Borrower and any other guarantor such information concerning the financial condition, business and operations of the Borrower and any such other guarantor as such Guarantor requires, and that none of the Secured Parties has any duty, and such

Guarantor is not relying on the Secured Parties at any time, to disclose to it any information relating to the business, operations or financial condition of the Borrower or any other guarantor (each Guarantor waiving any duty on the part of the Secured Parties to disclose such information and any defense relating to the failure to provide the same).

9.9 Appointment of Borrower.

Each of the Loan Parties hereby appoints the Borrower to act as its agent for all purposes of this Agreement, the other Loan Documents and all other documents and electronic platforms entered into in connection herewith and agrees that (a) the Borrower may execute such documents and provided such authorizations on behalf of such Loan Parties as the Borrower deems appropriate in its sole discretion and each Loan Party shall be obligated by all of the terms of any such document and/or authorization executed on its behalf, (b) any notice or communication delivered by any Agent or any Lender to the Borrower shall be deemed delivered to each Loan Party and (c) any Agent or any Lender may accept, and be permitted to rely on, any document, authorization, instrument or agreement executed by the Borrower on behalf of each of the Loan Parties.

9.10 Right of Contribution.

The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable Law.

ARTICLE X
MISCELLANEOUS

10.1 Amendments, Etc.

No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent or the Collateral Agent, as the case may be, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however that no such amendment, waiver or consent shall:

(a) waive any condition set forth in Article IV without the written consent of each Initial Lender;

(b) extend or increase the Commitment of any Lender without the written consent of such Lender;

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayments) of principal, interest, fees (including the Loan Payment Fees) or other amounts due to the Lenders (or any of them) hereunder or under such other Loan Document without the written consent of each Lender entitled to such payment;

(d) reduce the principal of, or the rate of interest specified herein on, the Loans or any fees (including the Loan Payment Fees) or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to such amount; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate;

(e) change (i) Section 8.3 or 2.11(c) or (ii) the order of application of any prepayment of the Loans from the application thereof set forth in the applicable provisions of Section 2.11 in any manner that adversely affects any Lender without the written consent of such Lender;

(f) change any provision of this Section 10.1 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender;

(g) release all or substantially all of the Collateral in any transaction or series of related transactions, without the written consent of each Lender;

(h) release all or substantially all of the value of the Guaranty, without the written consent of each Lender, except to the extent the release of any Subsidiary from the Guaranty is permitted pursuant to Article XI (in which case such release may be made by the Administrative Agent acting alone);

(i) amend or modify Section 2.6 or any condition precedent to the incurrence of any Incremental Term Commitments or Incremental Term Loans, or otherwise amend this Agreement in any manner that would permit the incurrence of any additional Indebtedness hereunder, in each case without the consent of each Lender;

(j) amend or modify this Agreement in any manner that would permit the incurrence by any Loan Party or its Subsidiaries of any additional Indebtedness for borrowed money that is secured by Liens that are not expressly subordinated to the Liens securing the Secured Obligations without the consent of each Initial Lender; or

(k) amend, modify or waive any provision under this Agreement that expressly requires the consent or other agreement of the Initial Lenders, in each case without the consent of each Initial Lender;

and provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the applicable Agent in addition to the Lenders required above, affect the rights or duties of such Agent under this Agreement or any other Loan Document; (ii) each Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto; and (iii) if any Lender does not consent to a proposed amendment, waiver, consent or release with respect to any Loan Document that requires the consent of each Lender or all affected Lenders and that has been approved by the Required Lenders, the Borrower may replace such Non-Consenting Lender in accordance with Section 10.15 so long as such amendment, waiver, consent or release can be effected as a result of the assignment contemplated by such Section.

10.2 Notices; Effectiveness; Electronic Communications.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (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 fax transmission or e-mail transmission as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, to the address, fax number, e-mail address or telephone number specified for the Borrower or any other Loan Party, the Agents or the Lenders on Schedule 1.1(b) or in the applicable Administrative Questionnaire.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by fax transmission or e-mail transmission shall be deemed to have been 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).

(b) Change of Address, Etc. Each of the Loan Parties, the Agents and the Lenders may change its address, fax number or telephone number or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

10.3 No Waiver; Cumulative Remedies; Enforcement.

No failure by any Lender or Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or under any other Loan Document preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Agents in accordance with Article XI for the benefit of all the Lenders and the Secured Parties; provided, however, that the foregoing shall not prohibit (a) any Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as an Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with this Agreement (subject to the terms of Section 2.11(c)) or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; provided, further, that if at any time there is no Person acting as Administrative Agent or Collateral Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Agents pursuant to Article XI and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding

proviso and subject to Section 2.11(c), any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

10.4 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall pay (i) all reasonable out-of-pocket expenses incurred by the Initial Lenders, the Agents and their respective Affiliates (including the reasonable fees, charges and disbursements of (x) one primary firm of counsel for the Initial Lenders, (y) one primary firm of counsel to the Agents and (z) one firm of local counsel to the Initial Lenders and the Agents in each applicable jurisdiction), in connection with the preparation, negotiation, execution and delivery of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) (provided that the Loan Parties' obligations under this clause (a)(i) in respect of such fees, charges and disbursements of counsel in connection with the preparation, negotiation, execution and delivery of this Agreement and the other Loan Documents, and under Section 9 of the Note Purchase Agreement, shall not exceed $300,000 in the aggregate) and (ii) all out-of-pocket expenses incurred by the Lenders, the Agents and their respective Affiliates (including the fees, charges and disbursements of any counsel for the Lenders, the Agents and their respective Affiliates), 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, or (B) in connection with the Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Loans; provided that nothing herein shall require any Loan Party to pay any of the foregoing in connection with a dispute solely among the Initial Lenders, the Agents and their respective Affiliates (other than such disputes involving claims against an Agent in its capacity as such) that does not involve an act or omission by the Borrower or any of its Subsidiaries.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify each Agent, the Lenders and each Related Party of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower or any other Loan 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 agreement or instrument executed in connection herewith (other than the Note Purchase Agreement), the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or the administration of this Agreement and the other Loan Documents (other than the Note Purchase Agreement) (including in respect of any matters addressed in Section 3.1), (ii) the Loans or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, 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 Loan 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 (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) arise from a dispute solely among Indemnitees (other than such disputes involving claims against an Agent in its capacity as such) that does not involve an act or omission by the Borrower or any of its Subsidiaries). This Section 10.4(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, no party to this Agreement shall assert, and each such party hereby waives, and acknowledges that no other Person shall have, any claim against any other party to this Agreement, 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, the Loans or the use of the proceeds thereof.

(d) Payments. All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(e) Survival. The agreements in this Section shall survive the termination of the Commitments and the repayment, satisfaction or discharge of all the other Secured Obligations.

10.5 Payments Set Aside.

To the extent that any payment by or on behalf of the Borrower is made to any Agent or any Lender, or such Agent or such Lender exercises its right of setoff, if any, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

10.6 Successors and Assigns.

(a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assignees. Each Loan Party agrees that it may not assign this Agreement without each Lender's prior consent. Each Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of the Loans owing to it) and the other Loan Documents to another Person (other than the Borrower or any of its Subsidiaries); provided that (x) the principal outstanding balance of the Loans of the assigning Lender subject to any assignment (other than (i) the assignment of the entire remaining amount of the assigning Lender's Loans at the time owing to it or (ii) assignments to another Lender, an Affiliate of such assigning Lender or an Approved Fund), determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent, or, if a "Trade Date" is specified in such Assignment and Assumption, as of

such Trade Date, shall not be less than $2,500,000 and (y) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to another Lender, an Affiliate of such assigning Lender or an Approved Fund; provided further that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to such assigning Lender within five (5) Business Days after having received written notice thereof.

(b) Each Lender may at any time, without the consent of, or notice to, the Borrower, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Loans); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

(c) The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in the United States a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent 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. The Register shall be available for inspection by the Borrower, each Agent and any Lender, at any reasonable time and from time to time upon reasonable prior notice. 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 amounts (and stated interest) of each participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligations to disclose all or any portion of the 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 its other obligations under any Loan Document) to any Person except to the extent that 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. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. This Section 10.6(c) shall be construed so that the Commitment and/or the Loans are at all times maintained in "registered form" within the meanings of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code and any Treasury Regulations (and any successor provisions) promulgated thereunder, including, without limitation, Treasury Regulations Sections 5f.103-1(c) and 1.871-14.

10.7 Confidentiality.

Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its Affiliates, its auditors and to its Related Parties on a "need to know" basis (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), (ii) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self- regulatory authority, such as the National Association of Insurance Commissioners) (in which case such parties agree, to the extent practicable and not prohibited by applicable law, to inform the Borrower promptly thereof prior to disclosure), (iii) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process (in which case such parties agree, to the extent practicable and not prohibited by applicable law, to inform the Borrower promptly thereof prior to disclosure), (iv) to any other party to this Agreement, (v) 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 rights hereunder or thereunder, (vi) subject to an agreement containing provisions substantially the same as those of this Section, to any assignee of or participant in, or any prospective assignee of or participant in, any of its rights and obligations under this Agreement, (vii) on a confidential basis to any rating agency in connection with rating any Loan Party or its Subsidiaries or the credit facilities provided hereunder, (viii) with the written consent of the Borrower or to the extent such Information (1) becomes publicly available other than as a result of a breach of this Section or (2) becomes available to the Administrative Agent or any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. For purposes of this Section, "Information" means all information received from any Loan Party or any Subsidiary relating to any Loan Party or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent and the Lenders on a nonconfidential basis prior to disclosure by any Loan Party or any Subsidiary.

10.8 Right of Setoff.

If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable 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 (in whatever currency) against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to the Lender. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender may have. Each Lender agrees to notify the Borrower 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.

10.9 Interest Rate Limitation.

Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, the Administrative Agent or such Lender may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

10.10 Counterparts; Integration; Effectiveness.

This Agreement and each of the other Loan Documents 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, the other Loan Documents, the Fee Letters, and any separate letter agreements with respect to fees payable to the Agents or the Lenders, 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 Article IV, this Agreement shall become effective when it shall have been executed by each Initial Lender and when the Initial Lenders 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 or any other Loan Document, or any certificate delivered thereunder, by fax transmission or e- mail transmission (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement or such other Loan Document or certificate. Without limiting the foregoing, to the extent a manually executed counterpart is not specifically required to be delivered under the terms of any Loan Document, upon the request of any party, such fax transmission or e-mail transmission shall be promptly followed by such manually executed counterpart.

10.11 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf, and shall continue in full force until the Facility Termination Date.

10.12 Severability.

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.13 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST ANY AGENT, ANY LENDER OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS 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, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION 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 IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT ANY AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (b) OF THIS SECTION. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE 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 THE MANNER PROVIDED FOR NOTICES IN SECTION 10.2. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

10.14 Waiver of Jury Trial.

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE 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 OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON 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 AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

10.15 Replacement of Non-Consenting Lenders.

If the Borrower is entitled to replace a Lender pursuant to the last proviso of Section 10.1, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.6), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.1 and 3.4) and obligations under this Agreement and the related Loan Documents to a Person eligible for an assignment in accordance with Section 10.1 that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts due pursuant to Section

3.5 or pursuant to the Fee Letters) from the assignee (to the extent of such outstanding principal and accrued interest) or the Borrower (in the case of fees and all other amounts);

(b) such assignment does not conflict with applicable Laws; and

(c) the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment cease to apply.

10.16 Subordination.

Each Loan Party (a "Subordinating Loan Party") hereby subordinates the payment of all obligations and indebtedness of any other Loan Party owing to it, whether now existing or hereafter arising, including but not limited to any obligation of any such other Loan Party to the Subordinating Loan Party as subrogee of the Secured Parties or resulting from such Subordinating Loan Party's performance under the Guaranty, to the indefeasible payment in full in cash of all Secured Obligations. If the Secured Parties so request, any such obligation or indebtedness of any such other Loan Party to the Subordinating Loan Party shall be enforced and performance received by the Subordinating Loan Party as trustee for the Secured Parties and the proceeds thereof shall be paid over to the Secured Parties on account of the Secured Obligations, but without reducing or affecting in any manner the liability of the Subordinating Loan Party under this Agreement. Without limitation of the foregoing, so long as no Default has occurred and is continuing, the Loan Parties may make and receive payments with respect to Intercompany Debt; provided, that in the event that any Loan Party receives any payment of any Intercompany Debt at a time when such payment is prohibited by this Section, such payment shall be held by such Loan Party in trust for the benefit of, and shall be paid forthwith over and delivered, upon written request to, the Administrative Agent for distribution to the Lenders.

10.17 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 Loan Party acknowledges and agrees that: (a) (i) the services regarding this Agreement provided by the Agents, the Lenders and the Affiliates of the foregoing Persons are arm's-length commercial transactions between the Borrower, each other Loan Party, on the one hand, and the Agents, the Lenders and their respective Affiliates, on the other hand, (ii) each of the Borrower and the other Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower and each other Loan 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; (b) (i) each of the Administrative Agent, the Lenders and their respective Affiliates 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 Borrower, any other Loan Party and (ii)

neither the Administrative Agent, nor any Lender, nor any of their respective Affiliates has any obligation to the Borrower, any other Loan Party with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Administrative Agent, 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 Loan Parties, and neither the Administrative Agent, nor any Lender, nor any of their respective Affiliates has any obligation to disclose any of such interests to the Borrower, any other Loan Party. To the fullest extent permitted by law, each of the Borrower and each other Loan Party hereby waives and releases any claims that it may have against each Agent, each Lender or any of their respective Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

10.18 Electronic Execution.

The words "delivery," "execute," "execution," "signed," "signature," and words of like import in any Loan Document or any other document executed in connection herewith shall be deemed to include electronic signatures, 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, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable 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; provided that notwithstanding anything contained herein to the contrary, neither the Administrative Agent, nor any Lender is under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by such Person pursuant to procedures approved by it; provided further without limiting the foregoing, upon the request of the Administrative Agent or any Lender, any electronic signature shall be promptly followed by such manually executed counterpart.

10.19 USA PATRIOT Act Notice.

Each Lender hereby notifies the Borrower and the other Loan Parties that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it may be required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender to identify each Loan Party in accordance with the Act. The Borrower and the Loan Parties agree to, promptly following a request by any Lender, provide all such other documentation and information that such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

10.20 Credit Bid Rights Preserved.

In the event of any bankruptcy proceeding involving a Loan Party in the United States, whether voluntary or otherwise, each Loan Party expressly agrees that each Agent and each Lender is hereby granted an irrevocable right to credit bid any or all amounts owed pursuant to this Agreement in any sales process as provided by Section 363(k) of the Bankruptcy Code, whether

such sale is conducted pursuant to a plan of reorganization under Chapter 11 of the Bankruptcy Code or outside of a plan pursuant to Section 363 of the Bankruptcy Code. The right of each Agent and each Lender to credit bid as set forth herein is an express element of the consideration being offered by the Loan Parties to induce the Lenders to enter into this Agreement.

10.21 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Solely to the extent any Lender is an EEA Financial Institution and is a party to this Agreement and 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 such Lender that is an 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 Lender if it 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.

ARTICLE XI
THE AGENTS

11.1. Appointment; Powers.

Each of the Lenders hereby appoints Cantor Fitzgerald Securities as its Administrative Agent and its Collateral Agent. Each Lender authorizes the Agents to take such actions on its behalf and to exercise such powers as are delegated to such Agent by the terms hereof and the other Loan Documents.

11.2 Duties and Obligations of the Agents.

The Agents shall have no duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) no Agent shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing (the use of the term "Administrative Agent", "Collateral Agent" or "Agent" herein and in the other Loan Documents with reference to the Administrative Agent or the Collateral Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law; rather, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties), (b) no Agent shall have any duty to take any discretionary action or exercise any discretionary powers, except as provided in Section 11.3, and (c) except as expressly set forth herein, no Agent shall have a duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by such Agent or any of its Affiliates in any capacity. The Agents shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to a responsible officer of such Agent by the Borrower or a Lender, and shall not be responsible for or have any duty to ascertain or inquire into:

(a) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document,

(b) the contents of any certificate, report or other document delivered hereunder or under any other Loan Document or in connection herewith or therewith,

(c) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or in any other Loan Document,

(d) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document,

(e) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent or as to those conditions precedent expressly required to be to such Agent's satisfaction,

(f) the existence, value, perfection or priority of any collateral security or the financial or other condition of the Borrower and its Subsidiaries, or

(g) any failure by the Borrower, any Guarantor or any other Person (other than itself) to perform any of its obligations hereunder or under any other Loan Document or the performance or observance of any covenants, agreements or other terms or conditions set forth herein or therein.

11.3 Action by Agents.

Each Agent shall have no duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan

Documents that such Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.1) and in all cases each Agent shall be fully justified in failing or refusing to act hereunder or under any other Loan Documents unless it shall (a) receive written instructions from the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.1) specifying the action to be taken and (b) be indemnified to its satisfaction by the Lenders against any and all liability claims, losses, fees and expenses which may be incurred by it by reason of taking or continuing to take any such action. The instructions as aforesaid and any action taken or failure to act pursuant thereto by an Agent shall be binding on all of the Lenders. If a Default has occurred and is continuing, then an Agent shall take such action with respect to such Default as shall be directed by the requisite Lenders in the written instructions (with indemnities satisfactory to it) described in this Section 11.3; provided that, unless and until such Agent shall have received such directions, such Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the interests of the Lenders. In no event, however, shall an Agent be required to take any action which exposes such Agent to a risk of personal liability or which is contrary to this Agreement, the Loan Documents or applicable law. If a Default has occurred and is continuing, no Agent shall have any obligation to perform any act in respect thereof. Each Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.1), and otherwise such Agent shall not be liable for any action taken or not taken by it hereunder or under any other Loan Document or under any other document or instrument referred to or provided for herein or therein or in connection herewith or therewith including its own ordinary negligence, except for its own gross negligence or willful misconduct.

11.4 Reliance by Agents.

Each Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. Each Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon, except in the case of gross negligence or willful misconduct by such Agent and each of the Loan Parties and the Lenders hereby waives the right to dispute such Agent's record of such statement absent manifest error. Each Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

11.5 Sub-Agents.

Each Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-Agents appointed by such Agent. Each Agent and any such sub-Agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding Sections of this Article XI shall apply to any

such sub-Agent and to the Related Parties of such Agent and any such sub-Agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as such Agent.

11.6 Resignation or Removal of Agents.

Subject to the appointment and acceptance of a successor Agent as provided in this Section 11.6, each Agent may resign at any time by notifying the Lenders and the Borrower, and such Agent may be removed at any time with or without cause by the Required Lenders. Upon any such resignation or removal, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives notice of its resignation or removal of the retiring Agent, then the retiring Agent may, on behalf of the Lenders and at the expense of the Borrower, appoint a successor Agent, or an Affiliate of any such Lender as approved by the Required Lenders or if no such successor shall be appointed by the retiring Agent as aforesaid, the Required Lenders shall thereafter perform all of the duties of the retiring Agent hereunder (and the retiring Agent shall be discharged from its duties and obligations hereunder) until such appointment by the Required Lenders is made and accepted. Upon the acceptance of its appointment as Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After an Agent's resignation hereunder, the provisions of this Article XI and Section 10.4 shall continue in effect for the benefit of such retiring Agent, its sub-Agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Agent.

11.7 Agents as Lenders.

Each Lender serving as an Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent, and such Lender and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any of its Subsidiaries or other Affiliates as if it were not an Agent hereunder.

11.8 Funds Held by Agents.

The Agents shall have no responsibility for interest or income on any funds held by it hereunder.

11.9 No Reliance.

Each Lender acknowledges that it has, independently and without reliance upon any Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and each other Loan Document to which it is a party. Each Lender also acknowledges that it will, independently and without reliance

upon any Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document, any related agreement or any document furnished hereunder or thereunder. No Agent shall be required to keep itself informed as to the performance or observance by the Borrower or any of its Subsidiaries of this Agreement, the Loan Documents or any other document referred to or provided for herein or to inspect the property or books of the Borrower or its Subsidiaries. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by an Agent hereunder, no Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Borrower (or any of their Affiliates) which may come into the possession of such Agent or any of its Affiliates. Each party hereto will consult with its own legal counsel to the extent that it deems necessary in connection with the Loan Documents and the matters contemplated therein.

11.10 Agents May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Borrower, the Guarantors or any of their Subsidiaries, each Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether an Agent shall have made any demand on the Borrower or the Guarantors) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file a proof-of-claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Indebtedness that are owing and unpaid and to file such other documents as may be necessary and directed by the Required Lenders in order to have the claims of the Lenders and the Agents (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Agents and their respective agents and counsel and all other amounts due the Lenders and the Agents under Section 10.4) allowed in such judicial proceeding;

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and

(c) any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized and directed by each Lender to make such payments to the Agents and, in the event that the Agents shall consent to the making of such payments directly to the Lenders, to pay to the Agents any amount due for the reasonable compensation, expenses, disbursements and advances of the Agents and their agents and counsel, and any other amounts due the Agents under Section 10.4.

Nothing contained herein shall be deemed to authorize any Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Indebtedness or the rights of any Lender or to authorize any Agent to vote in respect of the claim of any Lender in any such proceeding.

11.11 Authority of the Agents to Release Collateral and Liens.

Each Lender hereby authorizes the Collateral Agent to release any Collateral or any Guarantor that is permitted to be sold or released pursuant to the terms of this Section 11.11 and the other Loan Documents. Each Lender hereby authorizes the Collateral Agent to execute and deliver to the Borrower, at the Borrower's sole cost and expense, any and all releases of Liens, termination statements, assignments or other documents reasonably requested by the Borrower in connection with (x) the termination of the Facility on the Facility Termination Date or (y) any sale or other Disposition of property to the extent such sale or other Disposition is authorized by the terms of this Agreement and the other Loan Documents and complies with the Security Agreement, as evidenced in an certificate delivered by a Responsible Officer to the Collateral Agent (which shall be promptly distributed to the Lenders); provided that, prior to the Facility Termination Date, the Liens on any Collateral securing the Secured Obligations shall not be released upon a sale, transfer or other Disposition of such Collateral to any Person that is, or that is required to be, in each case at the time of such sale, transfer or other Disposition, and after giving effect thereto, a Loan Party (but in each case disregarding the grace period provided for in Section 6.12). Upon the request of the Borrower, in connection with any transaction otherwise permitted by this Agreement and the other Loan Documents, the Administrative Agent and/or the Collateral Agent is authorized to release Collateral that is Disposed of to any Person (other than to a Person that is, or that is required to be, in each case at the time of such Disposition, and after giving effect thereto, a Loan Party (but in each case disregarding the grace period provided for in Section 6.12)), or to any Person that ceases to be a Subsidiary of the Borrower at the time of such Disposition, and after giving effect thereto.

11.12 Merger, Conversion or Consolidation of Agents.

Any corporation into which the Agents may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Agents shall be a party, or any corporation succeeding to the corporate trust and loan agency business of the Agents, shall be the successor of the Agents hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BORROWER: INSEEGO CORP.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

GUARANTORS:

NOVATEL WIRELESS, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

ENFORA, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

R.E.R. ENTERPRISES, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

INSEEGO NORTH AMERICA, LLC

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

NOVATEL WIRELESS SOLUTIONS, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

FEENEY WIRELESS IC-DISC, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

ADMINISTRATIVE AGENT and COLLATERAL AGENT: CANTOR FITZGERALD SECURITIES

By: /s/ Nils Horning
Name: Nils Horning
Title: Vice President

LENDERS:

1992 MSF INTERNATIONAL LTD.
By: Highbridge Capital Management, LLC, its trading manager

By: /s/ Jason Hempel
Name: Jason Hempel
Title: Managing Director

1992 TACTICAL CREDIT MASTER FUND, L.P.
By: Highbridge Capital Management, LLC, its trading manager

By: /s/ Jason Hempel
Name: Jason Hempel
Title: Managing Director

Exhibit 10.2

SECURITY AND PLEDGE AGREEMENT

THIS SECURITY AND PLEDGE AGREEMENT (as amended, modified, extended, restated, renewed, replaced, or supplemented from time to time, this "Agreement") is entered into as of August 23, 2017 among INSEEGO CORP., a Delaware corporation (the "Borrower"), the other parties identified as "Grantors" on the signature pages hereto and such other parties that may become Grantors hereunder after the date hereof (together with the Borrower, each individually a "Grantor", and collectively, the "Grantors") and CANTOR FITZGERALD SECURITIES, in its capacity as collateral agent for the Secured Parties (in such capacity, the "Collateral Agent").

RECITALS

WHEREAS, pursuant to that certain Credit Agreement, dated as of the date hereof (as amended, modified, extended, restated, renewed, replaced, or supplemented from time to time, the "Credit Agreement") among the Borrower, the Guarantors party thereto from time to time, Cantor Fitzgerald Securities, as Administrative Agent and Collateral Agent, and the Lenders party thereto from time to time, the Lenders have agreed to make the Loan upon the terms and subject to the conditions set forth therein; and

WHEREAS, this Agreement is required by the terms of the Credit Agreement.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

(a) Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Credit Agreement. With reference to this Agreement, unless otherwise specified herein: (i) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined, (ii) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms, (iii) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation", (iv) the word "will" shall be construed to have the same meaning and effect as the word "shall", (v) any definition of, or reference to, any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document, as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (vi) any reference herein to any Person shall be construed to include such Person's permitted successors and assigns, (vii) 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, (viii) all references herein to Sections, Exhibits and Schedules shall be construed to refer to Sections of, and Exhibits and Schedules to, this Agreement, (ix) 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, (x) the term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form, (xi) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including", (xii) Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Agreement and (xiii) where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant

part thereof.

(b) The following terms shall have the meanings set forth in the UCC (defined below): Accession, Account, Account Debtor, Adverse Claim, As-Extracted Collateral, Certificated Security, Chattel Paper, Commercial Tort Claim, Deposit Account, Document, Electronic Chattel Paper, Equipment, Farm Products, Financial Asset, Fixtures, General Intangible, Goods, Instrument, Inventory, Investment Company Security, Investment Property, Letter-of-Credit Right, Manufactured Home, Payment Intangible, Proceeds, Securities Account, Securities Intermediary, Security, Software, Supporting Obligation and Tangible Chattel Paper.

(c) In addition, the following terms shall have the meanings set forth below:

"Assignment of Claims Act" means the Assignment of Claims Act of 1940 (41U.S.C. Section 15, 31 U.S.C. Section 3737, and 31 U.S.C. Section 3727), including all amendments thereto and regulations promulgated thereunder.

"Collateral" has the meaning provided in Section 2 hereof.

"Control" means the manner in which "control" is achieved under the UCC with respect to any Collateral for which the UCC specifies a method of achieving "control".

"Copyright License" means any agreement, now or hereafter in existence, providing for the grant by, or to, any Grantor of any rights (including, without limitation, any rights for a party to be designated as an author or owner and/or to enforce, defend, use, display, copy, manufacture, distribute, exploit and sell, make derivative works, and require joinder in suit and/or receive assistance from another party) covered in whole or in part by a Copyright.

"Copyrights" means: (i) all copyrights, rights and interests in such copyrights, works protectable by copyright, copyright registrations and copyright applications anywhere in the world, (ii) all derivative works, counterparts, extensions and renewals of any of the foregoing, (iii) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing, including, without limitation, damages or payments for past, present and future infringements, violations or misappropriations of any of the foregoing, (iv) the right to sue for past, present and future infringements, violations or misappropriations of any of the foregoing and (v) all rights corresponding to any of the foregoing throughout the world.

"Government Contract" means a contract between any Grantor and an agency, department or instrumentality of the United States or any state Governmental Authority located in the United States or all obligations of any such Governmental Authority arising under any Account now or hereafter owing by any such Governmental Authority, as Account Debtor, to any Grantor.

"Intellectual Property" means: all intellectual and similar property of every kind and nature, including (i) all systems software and applications software (including source code and object code), all documentation for such software, including, without limitation, user manuals, flowcharts, functional specifications, operations manuals, and all formulas, processes, ideas and know-how embodied in any of the foregoing, (ii) concepts, discoveries, improvements and ideas, know-how, technology, reports, design information, trade secrets, practices, specifications, test procedures, maintenance manuals, research and development, inventions (whether or not patentable), blueprints, drawings, data, customer lists, catalogs, and all physical embodiments of the foregoing, (iii) Patents, Copyrights, Trademarks, and domain names and (iv) all related registrations for any of the foregoing.

"Intellectual Property License" means any Patent License, Copyright License, Trademark License or other license or sublicense agreement, now or hereafter in existence, to which any

Grantor is a party.

"Intercompany Note" means the intercompany note substantially in the form of Exhibit E or otherwise in form and substance reasonably satisfactory to the Required Lenders.

"Issuer" means (i) with respect to any Pledged Equity, the issuer of such Pledged Equity and (ii) with respect to any Pledged Debt, the debtor in respect of such Pledged Debt.

"Patent License" means any agreement, now or hereafter in existence, providing for the grant by, or to, any Grantor of any rights (including, without limitation, the right for a party to be designated as an owner and/or to enforce, defend, make, have made, make improvements, manufacture, use, sell, import, export, and require joinder in suit and/or receive assistance from another party) covered in whole or in part by a Patent.

"Patents" means: (i) all patents, inventions and patent applications anywhere in the world, (ii) all improvements, counterparts, reissues, divisional, re-examinations, extensions, continuations (in whole or in part) and renewals of any of the foregoing and improvements thereon, (iii) all income, royalties, damages or payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing, including, without limitation, damages or payments for past, present or future infringements, violations or misappropriations of any of the foregoing, (iv) the right to sue for past, present and future infringements, violations or misappropriations of any of the foregoing and (v) all rights corresponding to any of the foregoing throughout the world.

"Pledged Collateral" means, collectively, the Pledged Debt and the Pledged Equity.

"Pledged Debt" means, with respect to each Grantor, (i) the loans and advances made by, and the debt securities owned by, such Grantor (in each case whether or not evidenced by any promissory note or other instrument), including the Intercompany Note and the other Indebtedness owned by the Grantors as set forth on Schedule 11 to the Perfection Certificate (as updated from time to time in accordance with the Credit Agreement) and (ii) the promissory notes and any other instruments evidencing such loans, advances and debt securities; provided that the Pledged Debt shall not include any Excluded Property.

"Pledged Equity" means, with respect to each Grantor, all Equity Interests (other than Excluded Equity Interests) held by such Grantor, including the Equity Interests owned by such Grantor as set forth on Schedule 14 to the Perfection Certificate (as updated from time to time in accordance with the Credit Agreement), in each case together with the certificates (or other agreements or instruments), if any, representing such shares, and all options and other rights, contractual or otherwise, with respect thereto, including, but not limited to, the following:

(1) all Equity Interests (other than Excluded Equity Interests) representing a dividend thereon, or representing a distribution or return of capital upon or in respect thereof, or resulting from a stock split, revision, reclassification or other exchange therefor, and any subscriptions, warrants, rights or options issued to the holder thereof, or otherwise in respect thereof; and

(2) in the event of any consolidation or merger involving any Issuer and in which such Issuer is not the surviving Person, all shares of each class of the Equity Interests (other than Excluded Equity Interests) of the successor Person formed by or resulting from such consolidation or merger, to the extent that such successor Person is a Subsidiary of a Grantor.

"Registered Intellectual Property" has the meaning provided in Section 3(l)(i) hereof.

"Trademark License" means any agreement, now or hereafter in existence, providing for the grant by, or to, any Grantor of any rights in (including, without limitation, the right for a party to be designated as an owner and/or to enforce, defend, use, mark, police, and require joinder in suit and/or receive assistance from another party) covered in whole, or in part, by a Trademark.

"Trademarks" means: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, internet domain names, trade styles, service marks, logos, other business identifiers, whether registered or unregistered, all registrations and recordings thereof, and all applications in connection therewith anywhere in the world, (ii) all counterparts, extensions and renewals of any of the foregoing, (iii) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing, including, without limitation, damages or payments for past, present or future infringements, violations, dilutions or misappropriations of any of the foregoing, (iv) the right to sue for past, present or future infringements, violations, dilutions or misappropriations of any of the foregoing and (v) all rights corresponding to any of the foregoing (including all goodwill connected with the use of and/or symbolized by the foregoing) throughout the world.

"UCC" means the Uniform Commercial Code as in effect from time to time in the state of New York except as such term may be used in connection with the perfection of the Collateral and then the applicable jurisdiction with respect to such affected Collateral shall apply.

"USPTO" means the United States Patent and Trademark Office.

"Vehicles" means all cars, trucks, trailers, construction and earth moving equipment and other vehicles covered by a certificate of title under the laws of any state, all tires and all other appurtenances to any of the foregoing.

"Vessel" means any watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water (including, without limitation, those whose primary purpose is the maritime transportation of cargo or which are otherwise engaged, used or useful in any business activities of the Grantors) which are owned by and registered (or to be owned and registered) in the name of any of the Grantors, including, without limitation, any Vessel leased or otherwise registered in the foregoing parties' names, pursuant to a lease or other operating agreement constituting a capital lease obligation, in each case together with all related spares, equipment and any additional improvements, vessel owned, bareboat chartered or operated by a Grantor other than Vessels owned by an entity other than a Grantor and which are managed under Vessel management agreements.

2. Grant of Security Interest in the Collateral. To secure the prompt payment and performance in full when due, whether by lapse of time, acceleration, mandatory prepayment or otherwise, of the Secured Obligations, each Grantor hereby grants to the Collateral Agent, for the benefit of the Secured Parties, a continuing security interest in any and all right, title and interest of such Grantor in and to all of the following, whether now owned or existing or owned, acquired, or arising hereafter (collectively, the "Collateral"): (a) all Accounts; (b) all cash, currency and Cash Equivalents; (c) all Chattel Paper (including Electronic Chattel Paper and Tangible Chattel Paper); (d) those certain Commercial Tort Claims set forth on Schedule 3 to the Perfection Certificate (as updated from time to time in accordance with the Credit Agreement); (e) all Deposit Accounts; (f) all Documents; (g) all Equipment; (h) all Fixtures; (i) all General Intangibles; (j) all Goods; (k) all Instruments; (l) all Intellectual Property and Intellectual Property Licenses; (m) all Inventory; (n) all Investment Property; (o) all Letter-of-Credit Rights; (p) all Payment Intangibles; (q) all Pledged Collateral; (r) all Securities Accounts; (s) all Software; (t) all Supporting Obligations; (u) all Vehicles; (v) all books and records pertaining to the Collateral; (w) all Accessions and all Proceeds and products of any and all of the foregoing and (x) all other personal property of any kind or type whatsoever now or hereafter owned by such Grantor or as to which such Grantor now or hereafter has the power to

transfer interest therein.

Notwithstanding anything to the contrary contained herein, the security interests granted under this Agreement shall not extend to any Excluded Property; provided, that with respect to any property constituting Excluded Property described in clause (d) of the definition thereof, in the event of the termination or elimination of any prohibition or right or requirement for any consent or other limitation with respect to such property as set forth in such clause (d), to the extent sufficient to permit any such property to become Collateral hereunder, or upon the granting of any such consent, or waiving or terminating any requirement for such consent or such other limitation, a security interest in such property shall be automatically and simultaneously granted and shall be included as Collateral hereunder, and such property shall no longer constitute "Excluded Property" hereunder or under the other Loan Documents.

The Grantors and the Collateral Agent, on behalf of the Secured Parties, hereby acknowledge and agree that the security interest created hereby in the Collateral (a) constitutes continuing collateral security for all of the Secured Obligations, whether now existing or hereafter arising and (b) is not to be construed as an assignment of any Intellectual Property.

3. Representations and Warranties. Each Grantor hereby represents and warrants to the Collateral Agent, for the benefit of the Secured Parties, that until the Facility Termination Date, that:

(a) Ownership. Each Grantor is the legal and beneficial owner of its Collateral, free and clear of all Liens (other than Permitted Liens), and has the right to pledge, sell, assign or transfer the same. There exists no Adverse Claim with respect to the Pledged Equity of such Grantor.

(b) Security Interest/Priority. This Agreement creates a valid security interest in favor of the Collateral Agent, for the benefit of the Secured Parties, in the Collateral of such Grantor and, when properly perfected by filing, shall constitute a valid and perfected, first priority security interest in such Collateral (including all uncertificated Pledged Equity consisting of partnership or limited liability company interests that do not constitute Securities), to the extent such security interest can be perfected by making the filings set forth in Section 4(d) hereof, free and clear of all Liens except for Permitted Liens. No Grantor has authenticated any agreement authorizing any secured party thereunder to file a financing statement, except to perfect Permitted Liens. The taking possession by the Collateral Agent of the certificated securities (if any) evidencing the Pledged Equity and all other Instruments constituting Collateral will perfect and establish the first priority of the Collateral Agent's security interest in all the Pledged Equity evidenced by such certificated securities and such Instruments. With respect to any Collateral consisting of a Deposit Account, Securities Entitlement or held in a Securities Account, upon execution and delivery by the applicable Grantor, the applicable Securities Intermediary and the Lender of an agreement granting control to the Collateral Agent over such Collateral, the Lender shall have a valid and perfected, first priority security interest in such Collateral.

(c) Types of Collateral. None of the Collateral consists of, or is the Proceeds of, (i) As-Extracted Collateral, (ii) Farm Products, (iii) Manufactured Homes, (iv) standing timber, (v) an aircraft, airframe, aircraft engine or related property, (vi) an aircraft leasehold interest, (vii) a Vessel or (viii) any other interest in or to any of the foregoing.

(d) Accounts. (i) Each Account of the Grantors and the papers and documents relating thereto are in all material respects what they purport to be, (ii) each Account arises out of (A) a bona fide sale of goods sold and delivered by such Grantor (or is in the process of being delivered) or (B) services theretofore actually rendered by such Grantor to, the account debtor named therein, (iii) no Account of a Grantor is evidenced by any Instrument or Chattel Paper unless such Instrument or Chattel Paper, to the extent requested by the Collateral Agent or the Required Lenders, has been

endorsed over and delivered to, or submitted to the control of, the Collateral Agent, (iv) no surety bond was required or given in connection with any Account of a Grantor or the contracts or purchase orders out of which they arose, and (v) to our knowledge, no Account Debtor has any defense, set-off, claim or counterclaim against any Grantor that can be asserted against the Collateral Agent, whether in any proceeding to enforce the Collateral Agent's rights in the Collateral otherwise, except defenses, setoffs, claims or counterclaims that are not, in the aggregate, material to the value of the Accounts.

(e) Equipment and Inventory. With respect to any Equipment and/or Inventory of a Grantor, each such Grantor has exclusive possession and control of such Equipment and Inventory of such Grantor except for (i) Equipment leased by such Grantor as a lessee, (ii) Equipment or Inventory in transit with common carriers or (iii) Equipment and/or Inventory in the possession or control of a warehouseman, bailee or any agent or processor of such Grantor. No Inventory of a Grantor is held by a Person other than a Grantor pursuant to consignment, sale or return, sale on approval or similar arrangement. Collateral consisting of Inventory is of good and merchantable quality, free from material defects. The completion of the manufacturing process of such Inventory by a Person other than the applicable Grantor would be permitted under any contract to which such Grantor is a party or to which the Inventory is subject.

(f) Authorization of Pledged Collateral. All Pledged Equity (i) is duly authorized and validly issued, (ii) is fully paid and, to the extent applicable, nonassessable and is not subject to the preemptive rights of any Person, (iii) is beneficially owned as of record by a Grantor and (iv) constitutes all the issued and outstanding shares of all classes of the equity of such Issuer issued to such Grantor to the extent required to be pledged hereunder. All Pledged Debt is the legal, valid and binding obligation of the Issuers and any obligors thereof, except to the extent that enforceability of such obligations may be limited by applicable bankruptcy, insolvency, and other similar laws affecting creditor's rights generally.

(g) No Other Equity Interests, Instruments, Etc. As of the Closing Date, (i) no Grantor owns any certificated Equity Interests in any Subsidiary that are required to be pledged and delivered to the Collateral Agent hereunder except as set forth on Schedule 14 to the Perfection Certificate (as updated from time to time in accordance with the Credit Agreement), and (ii) no Grantor holds any Instruments, Documents or Tangible Chattel Paper required to be pledged and delivered to the Lender pursuant to Section 4(c)(i) of this Agreement other than as set forth on Schedule 11 to the Perfection Certificate (as updated from time to time in accordance with the Credit Agreement). All such certificated securities, Instruments, Documents and Tangible Chattel Paper have been delivered to the Collateral Agent to the extent (A) requested by the Collateral Agent or the Required Lenders or (B) as required by the terms of this Agreement and the other Loan Documents.

(h) Partnership and Limited Liability Company Interests. None of the Collateral consisting of an interest in a partnership or a limited liability company (i) is dealt in or traded on a securities exchange or in a securities market, (ii) by its terms expressly provides that it is a Security governed by Article 8 of the UCC, (iii) is an Investment Company Security, (iv) is held in a Securities Account or (v) constitutes a Security or a Financial Asset.

(i) Perfection Certificate and Other Information Regarding Collateral. The Perfection Certificate has been duly prepared, completed and executed and the information set forth therein is correct and complete in all material respects as of the date hereof.

(j) Consents; Etc. No approval, consent, exemption, authorization or other action by, notice to, or filing with, any Governmental Authority or any other Person (including, without limitation, any stockholder, member or creditor of such Grantor), is necessary or required for (i) the grant by such Grantor of the security interest in the Collateral granted hereby or for the execution,

delivery or performance of this Agreement by such Grantor, (ii) the perfection of such security interest (to the extent such security interest can be perfected by filing under the UCC, the granting of control (to the extent required under Section 4(c) hereof) or by filing an appropriate notice with the USPTO or the United States Copyright Office) or (iii) the exercise by the Collateral Agent or the Secured Parties of the rights and remedies provided for in this Agreement (including, without limitation, as against any Issuer), except for (A) the filing or recording of UCC financing statements or other filings under the Assignment of Claims Act, (B) the filing of appropriate notices with the USPTO and the United States Copyright Office, (C) obtaining control to perfect the Liens created by this Agreement (to the extent required under Section 4(c) hereof), (D) such actions as may be required by Laws affecting the offering and sale of securities, (E) such actions as may be required by applicable foreign Laws affecting the pledge of the Pledged Equity of Foreign Subsidiaries, (F) consents, authorizations, filings or other actions which have been obtained or made, or the failure of which to obtain are not reasonably likely to cause a Material Adverse Effect and (G) as may be required with respect to Vehicles registered under a certificate of title.

(k) Commercial Tort Claims. As of the Closing Date, no Grantor has any Commercial Tort Claims seeking damages in excess of $250,000 other than as set forth on Schedule 3 to the Perfection Certificate (as updated from time to time in accordance with the Credit Agreement).

(l) Copyrights, Patents and Trademarks.

(i) All Intellectual Property registered or applied for with any Governmental Authority ("Registered Intellectual Property") and that are owned by such Grantor is subsisting, and, to the extent registered, is enforceable, and, to such Grantor's knowledge, is valid.

(ii) No holding, decision or judgment has been rendered against a Grantor by any Governmental Authority that would limit, cancel or question the validity of any Registered Intellectual Property owned by any Grantor in any material respect.

(iii) Each Grantor and each of its Subsidiaries, own, or possess the right to use, all of the material Intellectual Property that is reasonably necessary for the operation of their respective businesses, without any material infringement, misappropriation or other violation of the rights of any other Person.

(iv) No proceeding, claim or litigation regarding any of the foregoing is pending or, to the knowledge of such Grantor, threatened, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(v) As of the Closing Date, no Grantor owns any Registered Intellectual Property and/or is party to any exclusive Intellectual Property License under which such Grantor is the licensee of any registration or application for any Copyright, except as set forth in Schedule 12 to the Perfection Certificate.

4. Covenants. Each Grantor covenants that until the Facility Termination Date, that such Grantor shall:

(a) Maintenance of Perfected Security Interest; Further Information.

(i) Maintain the security interest created by this Agreement as a first priority perfected security interest (subject only to Permitted Liens) and shall defend such security interest against the claims and demands of all Persons whomsoever (other than the holders of Permitted Liens).

(ii) From time to time furnish to the Collateral Agent (for distribution to the Lenders) upon the reasonable request of the Collateral Agent or the Required Lenders, statements and schedules further identifying and describing the assets and property of such Grantor and such other reports in connection therewith as the Collateral Agent or the Required Lenders may reasonably request, all in reasonable detail.

(b) Required Notifications. Each Grantor shall promptly notify the Collateral Agent (with such notice provided by the Collateral Agent to the Lenders) in writing, of: (i) any Lien (other than Permitted Liens) on any of the Collateral which would materially and adversely affect the ability of the Collateral Agent to exercise any of its remedies hereunder and (ii) the occurrence of any other event which could reasonably be expected to have a material impairment on the aggregate value of the Collateral or on the security interests created hereby.

(c) Perfection through Possession and Control.

(i) If any amount in excess of $250,000 payable under or in connection with any of the Collateral shall be or become evidenced by any Instrument or Tangible Chattel Paper or Supporting Obligation, ensure that such Instrument, Tangible Chattel Paper or Supporting Obligation is either in the possession of such Grantor at all times or, if requested by the Collateral Agent or the Required Lenders to perfect the security interest provided hereunder in such Collateral, delivered to the Collateral Agent duly endorsed in a manner satisfactory to the Collateral Agent. Such Grantor shall ensure that any Collateral consisting of Tangible Chattel Paper is marked with a legend acceptable to the Collateral Agent indicating the Collateral Agent's security interest in such Tangible Chattel Paper. To the extent the value of all Instruments, Supporting Obligation and Tangible Chattel Paper not in the possession of the Collateral Agent exceeds $250,000, at the request of the Collateral Agent or the Required Lenders, the Grantors shall deliver such Instruments, Supporting Obligations and Tangible Chattel Paper to the Collateral Agent so that the value of all Instruments, Supporting Obligations and Tangible Chattel Paper not in the possession of the Collateral Agent does not exceed $250,000.

(ii) Deliver to the Collateral Agent promptly upon the receipt thereof by or on behalf of a Grantor, (x) all promissory notes and other instruments constituting Pledged Debt with a value that exceeds, individually, or in the aggregate, $250,000 and (y) all certificates and other instruments constituting Certificated Securities or Pledged Equity hereunder; provided that with respect to the certificates evidencing the Pledged Equity of any Foreign Subsidiary, such certificates shall be delivered to the Collateral Agent in accordance with Section 6.17 of the Credit Agreement. Prior to delivery to the Collateral Agent, all such promissory notes, certificates and other instruments constituting Pledged Collateral shall be held in trust by such Grantor for the benefit of the Collateral Agent and the Secured Parties pursuant hereto. All such promissory notes, certificates and other instruments representing such Pledged Collateral shall be delivered in suitable form for transfer by delivery or shall be accompanied by duly executed instruments of transfer or assignment in blank, substantially in the form provided in Exhibit A-1 or A-2, as applicable, hereto.

(iii) If any Collateral shall consist of Deposit Accounts, Electronic Chattel Paper, Letter-of-Credit Rights, Securities Accounts or uncertificated Investment Property, execute and deliver (and, with respect to any Collateral consisting of uncertificated Investment Property, cause the Issuer with respect to such Investment Property to execute and deliver) to the Collateral Agent all control agreements, assignments, instruments or other documents as reasonably requested by the Collateral Agent or the Required Lenders

for the purposes of obtaining and maintaining Control of such Collateral. If any Collateral shall consist of Deposit Accounts or Securities Accounts, comply with Section 6.13(d) of the Credit Agreement with respect to such Collateral.

(d) Filing of Financing Statements, Notices, etc. Each Grantor shall execute and deliver to the Collateral Agent and/or file such agreements, assignments or instruments (including affidavits, notices, reaffirmations and amendments and restatements of existing documents, as the Collateral Agent or the Required Lenders may reasonably request) and do all such other things as the Lender may reasonably deem necessary or appropriate (i) to assure the validity and perfection of the Collateral Agent's security interests hereunder, including (A) such instruments as the Collateral Agent or the Required Lenders may from time to time reasonably request in order to perfect and maintain the security interests granted hereunder in accordance with the UCC, including, without limitation, financing statements (including continuation statements), (B) with regard to Copyrights, a Notice of Grant of Security Interest in Copyrights for filing with the United States Copyright Office substantially in the form of Exhibit B or other form acceptable to the Collateral Agent, (C) with regard to Patents, a Notice of Grant of Security Interest in Patents for filing with the USPTO substantially in the form of Exhibit C or other form acceptable to the Lender and (D) with regard to Trademarks, a Notice of Grant of Security Interest in Trademarks for filing with the USPTO substantially in the form of Exhibit D or other form acceptable to the Collateral Agent, (ii) to consummate the transactions contemplated hereby and (iii) to otherwise protect and assure the Collateral Agent's rights and interests hereunder. Furthermore, each Grantor also hereby irrevocably makes, constitutes and appoints the Collateral Agent, its nominee or any other person whom the Collateral Agent may designate, as such Grantor's attorney in fact with full power and for the limited purpose to prepare and file (and, to the extent applicable, sign) in the name of such Grantor any financing statements, or amendments and supplements to financing statements, renewal financing statements, notices or any similar documents which in the Collateral Agent's reasonable discretion (or the reasonable discretion of the Required Lenders) would be necessary or appropriate in order to perfect and maintain perfection of the security interests granted hereunder, such power, being coupled with an interest, being and remaining irrevocable until the Facility Termination Date. Each Grantor hereby agrees that a carbon, photographic or other reproduction of this Agreement or any such financing statement is sufficient for filing as a financing statement by the Collateral Agent without notice thereof to such Grantor wherever the Collateral Agent or the Required Lenders may in their reasonable discretion desire to file the same.

(e) Collateral Held By Warehouseman, Bailee, etc. Perfect and protect such Grantor's ownership interests in all Inventory stored with a consignee against creditors of the consignee by filing and maintaining financing statements against the consignee reflecting the consignment arrangement filed in all appropriate filing offices, providing any written notices required by the UCC to notify any prior creditors of the consignee of the consignment arrangement, and taking such other actions as may be appropriate to perfect and protect such Grantor's interests in such inventory under Section 2-326, Section 9-103, Section 9-324 and Section 9-505 of the UCC or otherwise, which such financing statements filed pursuant to this Section shall be assigned to the Collateral Agent, for the benefit of the Secured Parties.

(f) Treatment of Accounts. Not grant or extend the time for payment of any Account, or compromise or settle any Account for less than the full amount thereof, or release any person or property, in whole or in part, from payment thereof, or amend, supplement or modify any Account in any manner that could reasonably be likely to adversely affect the value thereof, or allow any credit or discount thereon, other than, in the case of any of the foregoing, in the ordinary course of a Grantor's business.

(g) Commercial Tort Claims. Execute and deliver such statements, documents and notices and do and cause to be done all such things as may be required by the Collateral Agent,

or required by Law, to create, preserve, perfect and maintain the Collateral Agent's security interest in any Commercial Tort Claims seeking damages in excess of $250,000 initiated by or in favor of any Grantor.

(h) Inventory. With respect to the Inventory of each Grantor:

(i) At all times maintain inventory records in the ordinary course of business.

(ii) Produce, use, store and maintain the Inventory in accordance in all material respects with applicable standards of any insurance and in compliance in all material respects with applicable Laws (including the requirements of the Federal Fair Labor Standards Act of 1938, as amended and all rules, regulations and orders related thereto).

(i) Reserved.

(j) Nature of Collateral. At all times maintain the Collateral as personal property and not affix any material portion of the Collateral to any real property in a manner which would change its nature from personal property to real property or a Fixture to real property, unless the Lender shall have a perfected Lien on such Fixture or real property.

(k) Issuance or Acquisition of Equity Interests in Partnerships or Limited Liability Companies.

(i) Not without executing and delivering, or causing to be executed and delivered, to the Collateral Agent such agreements, documents and instruments as the Collateral Agent or the Required Lenders may reasonably require, issue or acquire any Pledged Equity consisting of an interest in a partnership or a limited liability company that (A) is dealt in or traded on a securities exchange or in a securities market, (B) by its terms expressly provides that it is a Security governed by Article 8 of the UCC, (C) is an investment company security, (D) is held in a Securities Account or (E) constitutes a Security or a Financial Asset.

(ii) Without the prior written consent of the Collateral Agent, no Grantor will (A) vote to enable, or take any other action to permit, any applicable Issuer to issue any Investment Property or Equity Interests constituting partnership or limited liability company interests, except for those additional Investment Property or Equity Interests constituting partnership or limited liability company interests that will be subject to the security interest granted herein in favor of the Secured Parties, or (B) enter into any agreement or undertaking, except in connection with a Disposition permitted under Section 7.5 of the Credit Agreement, restricting the right or ability of such Grantor or the Collateral Agent to sell, assign or transfer any Investment Property or Pledged Equity or Proceeds thereof. The Grantors will defend the right, title and interest of the Collateral Agent in and to any Investment Property and Pledged Equity against the claims and demands of all Persons whomsoever.

(iii) If any Grantor shall become entitled to receive or shall receive (A) any Certificated Securities (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights in respect of the ownership interests of any Issuer, whether in addition to, in substitution of, as a conversion of, or in exchange for, any Investment Property, or otherwise in respect thereof, or (B) any sums paid upon or in respect of any Pledged Collateral or any Investment Property upon the liquidation or dissolution of any Issuer, to the extent required to be paid

to the Lenders in accordance with Section 2.5(b) of the Credit Agreement, such Grantor shall accept the same as the agent of the Secured Parties, hold the same in trust for the Secured Parties, segregated from other funds of such Grantor, and promptly deliver the same to the Collateral Agent, on behalf of the Secured parties, in accordance with the terms hereof.

(l) Intellectual Property.

(i) Not do any act or omit to do any act whereby any material Copyright may become invalidated and (A) not do any act, or omit to do any act, whereby any material Copyright may become injected into the public domain, except for occasional releases of software code not material to the operation of such Grantor's business as open source software, subject to such Grantor's reasonable business judgment; (B) notify the Collateral Agent (who shall notify the Lenders) immediately if it knows that any material Copyright may become injected into the public domain or of any materially adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any court or tribunal in the United States or any other country) regarding a Grantor's ownership of any such Copyright or its validity; (C) take all necessary steps as such Grantor shall reasonably deem appropriate to maintain and pursue each application (and to obtain the relevant registration) of each material Copyright owned by a Grantor and to maintain each registration of each material Copyright owned by a Grantor including, without limitation, filing of applications for renewal where necessary; and (D) promptly notify the Collateral Agent (who shall notify the Lenders) of any material infringement, misappropriation, dilution or impairment of any Copyright of a Grantor of which it becomes aware and take such actions as it shall reasonably deem appropriate under the circumstances to protect such Copyright, including, where appropriate, the bringing of suit for infringement, dilution or impairment or seeking injunctive relief and seeking to recover any and all damages for such infringement, misappropriation, dilution or impairment.

(ii) Grant to the Collateral Agent a non-exclusive, royalty-free license to use, license or sublicense such Grantor's Intellectual Property (with respect to Trademarks, subject to reasonable quality control) for the purpose of enabling to exercise the Collateral Agent's rights hereunder, exercisable only after the occurrence and during the continuance of an Event of Default; *provided*, *however*, that (i) no such license or agreement granting such Grantor rights in third party's Intellectual Property shall be deemed granted to the extent granting such license is prohibited according to the terms of any license agreement to which the Grantor is a party or otherwise bound and (ii) such license will terminate on the termination of this agreement and the indefeasible payment in full of all Secured Obligations.

(iii) (A) Subject to such Grantor's reasonable business judgment, continue to use each material Trademark of such Grantor on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain such Trademark in full force free from any claim of abandonment for non-use, (B) subject to such Grantor's reasonable business judgment, maintain as in the past the quality of products and services offered under each such Trademark, (C) employ each such Trademark with the appropriate notice of registration, if applicable, (D) not adopt or use any mark that is confusingly similar or a colorable imitation of any such Trademark unless the Collateral Agent, for the benefit of the Secured Parties, shall obtain a perfected security interest in such mark pursuant to this Agreement, and (E) subject to such Grantor's reasonable business judgment, not (and not permit any licensee or sublicensee thereof to) do any act or omit to do any act whereby any such Trademark may become invalidated.

(iv) Not knowingly do any act, or omit to do any act, whereby any material Patent may become abandoned or dedicated.

(v) Promptly notify the Collateral Agent (who shall notify the Lenders) immediately if it knows that any application or registration relating to any material Patent or Trademark may become abandoned or dedicated, or of any materially adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the USPTO or any court or tribunal in any country) regarding such Grantor ownership of any Patent or Trademark or its right to register the same or to keep and maintain the same.

(vi) Take all necessary steps as such Grantor shall deem appropriate under the circumstances, including, without limitation, in any proceeding before the USPTO, or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of each material Patent and Trademark, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability.

(vii) Promptly notify the Collateral Agent (who shall notify the Lenders) after such Grantor learns that any material Patent or Trademark included in the Collateral is infringed, misappropriated, diluted or impaired by a third party and promptly sue for infringement, misappropriation, dilution or impairment, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation, dilution or impairment, or to take such other actions as such Grantor or the Required Lenders shall reasonably deem appropriate under the circumstances to protect such Patent or Trademark.

(viii) In the event that such Grantor, either directly or through any agent, employee, licensee or designee, (A) files an application for the registration of (or otherwise becomes the owner of) any Patent, Trademark or Copyright with the USPTO, United States Copyright Office or other applicable Governmental Authority, (B) acquires any registration or application for registration of any Patent, Trademark or Copyright or (C) acquires or becomes a party to any exclusive Intellectual Property License under which such Grantor is the licensee of any registration or application for any Copyright, provide the Collateral Agent written notice thereof each fiscal quarter, concurrently with delivery of the Compliance Certificate as required under Section 6.2(b) of the Credit Agreement, and, upon request of the Collateral Agent, promptly execute and deliver any and all security agreements or other instruments as the Collateral Agent may reasonably request to evidence the Collateral Agent's security interest in such Patent, Trademark, Copyright or exclusive Intellectual Property License, and the General Intangibles of such Grantor relating thereto or represented thereby.

(ix) Not make any assignment or agreement in conflict with the security interest in the Copyrights, Patents or Trademarks of each Grantor hereunder (except as permitted by the Credit Agreement).

Notwithstanding the foregoing, the Grantors may, in their reasonable business judgment, to the extent consistent with past practice, fail to maintain, pursue, preserve or protect any Copyright, Patent or Trademark which is not material to their businesses.

(m) Equipment. Maintain each item of Equipment in good working order and condition (reasonable wear and tear and obsolescence excepted).

(n) Further Assurances. Promptly upon the reasonable request of the Collateral Agent or the Required Lenders and at the sole expense of the Grantors, duly execute and deliver, and have recorded, such further instruments and documents and take such further actions as the Collateral Agent or the Required Lenders may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, (A) with respect to Government Contracts, assignment agreements and notices of assignment, in form and substance satisfactory to the Required Lenders, duly executed by any Grantors party to such Government Contract in compliance with the Assignment of Claims Act (or analogous state applicable Law), and (B) all applications, certificates, instruments, registration statements, and all other documents and papers the Collateral Agent or the Required Lenders may reasonably request and as may be required by law in connection with the obtaining of any consent, approval, registration, qualification, or authorization of any Person deemed necessary or appropriate for the effective exercise of any rights under this Agreement; provided that no Grantor shall be required to take any action to perfect a security interest in any Collateral if the costs and burdens to the Grantors of perfecting a security interest in such Collateral (including any applicable stamp, intangibles or other taxes) are excessive in relation to value to the Lenders afforded thereby as determined by the Required Lenders in their reasonable discretion.

5. Authorization to File Financing Statements. Each Grantor hereby authorizes the Collateral Agent and the Lenders to prepare and file such financing statements (including continuation statements) or amendments thereof or supplements thereto or other instruments as the Collateral Agent or the Required Lenders may from time to time deem necessary or appropriate in order to perfect and maintain the security interests granted hereunder in accordance with the UCC, which such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of Collateral that describes such property in any other manner as the Collateral Agent or the Required Lenders may determine, in their sole discretion, is necessary, advisable or prudent to ensure the perfection of the security interest in the Collateral granted herein, including, without limitation, describing such property as "all assets, whether now owned or hereafter acquired" or "all personal property, whether now owned or hereafter acquired."

6. Advances. On failure of any Grantor to perform any of the covenants and agreements contained herein or in any other Loan Document, the Required Lenders may, at their option and in their sole discretion, instruct the Collateral Agent to perform the same and in so doing may expend such sums as the Required Lenders may reasonably deem advisable in the performance thereof, including, without limitation, the payment of any insurance premiums, the payment of any taxes, a payment to obtain a release of a Lien or potential Lien, expenditures made in defending against any adverse claim and all other expenditures which the Collateral Agent and the Required Lenders may make for the protection of the security hereof or which may be compelled to make by operation of Law. All such sums and amounts so expended shall be repayable by the Grantors on a joint and several basis promptly upon timely notice thereof and demand therefor, shall constitute additional Secured Obligations and shall bear interest from the date said amounts are expended at the Default Rate. No such performance of any covenant or agreement by the Collateral Agent on behalf of any Grantor, and no such advance or expenditure therefor, shall relieve the Grantors of any Default or Event of Default. The Required Lenders may instruct the Collateral Agent to make any payment hereby authorized in accordance with any bill, statement or estimate procured from the appropriate public office or holder of the claim to be discharged without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax assessment, sale, forfeiture, tax lien, title or claim except to the extent such payment is being contested in good faith by a Grantor in appropriate proceedings and against which adequate reserves are being maintained in accordance with GAAP.

7. Remedies.

(a) General Remedies. Upon the occurrence of an Event of Default and during continuation thereof, the Collateral Agent on behalf of the Secured Parties shall have, in addition to the rights and remedies provided herein, in the Loan Documents, in any other documents relating to the Secured Obligations, or by any applicable Law (including, but not limited to, levy of attachment, garnishment and the rights and remedies set forth in the UCC of the jurisdiction applicable to the affected Collateral), the rights and remedies of a secured party under the UCC (regardless of whether the UCC is the law of the jurisdiction where the rights and remedies are asserted and regardless of whether the UCC applies to the affected Collateral), and further, the Collateral Agent may, with or without judicial process or the aid and assistance of others, (i) enter on any premises on which any of the Collateral may be located and, without resistance or interference by the Grantors, take possession of the Collateral, (ii) dispose of any Collateral on any such premises, (iii) require the Grantors to assemble and make available to the Collateral Agent at the expense of the Grantors any Collateral at any place and time designated by the Collateral Agent which is reasonably convenient to the parties, (iv) remove any Collateral from any such premises for the purpose of effecting the sale or other disposition thereof, or (v) without demand and without advertisement, notice, hearing or process of law, all of which each of the Grantors hereby waives to the fullest extent permitted by Law, at any place and time or times, sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels any or all Collateral held by or for it at public or private sale (which in the case of a private sale of Pledged Equity, shall be to a restricted group of purchasers who will be obligated to agree, among other things, to acquire such securities for their own account, for investment and not with a view to the distribution or resale thereof), at any exchange or broker's board or elsewhere, by one or more contracts, in one or more parcels, for money, upon credit or otherwise, at such prices and upon such terms as the Collateral Agent deems advisable, in its sole discretion (subject to any and all mandatory legal requirements). Each Grantor acknowledges that any such private sale may be at prices and on terms less favorable to the seller than the prices and other terms which might have been obtained at a public sale and, notwithstanding the foregoing, agrees that such private sale shall be deemed to have been made in a commercially reasonable manner and, in the case of a sale of Pledged Equity, that the Collateral Agent shall have no obligation to delay sale of any such securities for the period of time necessary to permit the Issuer of such securities to register such securities for public sale under the Securities Act of 1933. The Collateral Agent and the Lenders shall have the right upon any such public sale or sales, and, to the extent permitted by applicable Law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold. Neither the Collateral Agent's compliance with applicable Law nor its disclaimer of warranties relating to the Collateral shall be considered to adversely affect the commercial reasonableness of any sale. To the extent the rights of notice cannot be legally waived hereunder, each Grantor agrees that any requirement of reasonable notice shall be met if such notice, specifying the place of any public sale or the time after which any private sale is to be made, is personally served on or mailed, postage prepaid, to the Borrower in accordance with the notice provisions of Section 10.2 of the Credit Agreement at least 10 days before the time of sale or other event giving rise to the requirement of such notice. Each Grantor further acknowledges and agrees that any offer to sell any Pledged Equity which has been (A) publicly advertised on a bona fide basis in a newspaper or other publication of general circulation in the financial community of New York, New York (to the extent that such offer may be advertised without prior registration under the Securities Act of 1933), or (B) made privately in the manner described above shall be deemed to involve a "public sale" under the UCC, notwithstanding that such sale may not constitute a "public offering" under the Securities Act of 1933, and the Collateral Agent and the Lenders may, in such event, bid for the purchase of such securities. The Collateral Agent shall not be obligated to make any sale or other disposition of the Collateral regardless of notice having been given. To the extent permitted by applicable Law, any Secured Party may be a purchaser at any such sale. To the extent permitted by applicable Law, each of the Grantors hereby waives

all of its rights of redemption with respect to any such sale. Subject to the provisions of applicable Law, the Collateral Agent may postpone or cause the postponement of the sale of all or any portion of the Collateral by announcement at the time and place of such sale, and such sale may, without further notice, to the extent permitted by Law, be made at the time and place to which the sale was postponed, or the Collateral Agent may further postpone such sale by announcement made at such time and place. To the extent permitted by applicable Law, each Grantor waives all claims, damages and demands it may acquire against the Collateral Agent or any other Secured Party arising out of the exercise by them of any rights hereunder except to the extent (a) any such claims, damages or demands result solely from the gross negligence or willful misconduct of the Collateral Agent or such other Secured Party as determined by a final non-appealable judgment of a court of competent jurisdiction, in each case against whom such claim is asserted, or (b) arise from a dispute among such parties (other than such disputes involving claims against the Collateral Agent in its capacity as such) that do not involve an act or omission by the Borrower or any other Grantor. Each Grantor agrees that the internet shall constitute a "place" for purposes of Section 9-610(b) of the UCC and that any sale of Collateral to a licensor pursuant to the terms of a license agreement between such licensor and a Grantor is sufficient to constitute a commercially reasonable sale (including as to method, terms, manner, and time) within the meaning of Section 9-610 of the UCC.

(b) Remedies Relating to Accounts. Upon the occurrence and during the continuation of an Event of Default:

(i) Whether or not the Collateral Agent or any other Secured Party has exercised any or all of its rights and remedies hereunder, (A) at the request of the Collateral Agent each Grantor shall notify (such notice to be in form and substance satisfactory to the Required Lenders) its Account Debtors that such Accounts have been assigned to the Collateral Agent, for the benefit of Secured Parties, and promptly upon the request of the Collateral Agent (acting on the written instructions of the Required Lenders), instruct all Account Debtors to remit all payments in respect of Accounts to a mailing location selected by the Collateral Agent and the Required Lenders and (B) the Collateral Agent (acting on the written instructions of the Required Lenders) shall have the right to enforce any Grantor's rights against its customers and account debtors, and the Collateral Agent (acting on the written instructions of the Required Lenders) or its designee may notify any Grantor's customers and account debtors that the Accounts of such Grantor have been assigned to the Collateral Agent or of the Collateral Agent's security interest therein, and may (either in its own name or in the name of a Grantor or both) demand, collect (including without limitation by way of a lockbox arrangement), receive, take receipt for, sell, sue for, compound, settle, compromise and give acquittance for any and all amounts due or to become due on any Account, and, the Collateral Agent (acting on the written instructions of the Required Lenders) may file any claim or take any other action or proceeding to protect and realize upon the security interest granted hereunder.

(ii) Each Grantor acknowledges and agrees that the Proceeds of its Accounts remitted to or on behalf of the Collateral Agent in accordance with the provisions hereof shall be solely for the Collateral Agent's own convenience and that such Grantor shall not have any right, title or interest in such Accounts or in any such other amounts except as expressly provided herein. Neither the Collateral Agent nor the other Secured Parties shall have any liability or responsibility to any Grantor for acceptance of a check, draft or other order for payment of money bearing the legend "payment in full" or words of similar import or any other restrictive legend or endorsement or be responsible for determining the correctness of any remittance.

(iii) (A) the Collateral Agent shall have the right, but not the obligation, to make test verifications of the Accounts in any manner and through any medium that it

reasonably considers advisable, and the Grantors shall furnish all such assistance and information as the Collateral Agent (acting on the written instructions of the Required Lenders) may require in connection with such test verifications, (B) upon the Required Lender's request and at the expense of the Grantors, the Grantors shall cause independent public accountants or others satisfactory to the Required Lenders to furnish to the Collateral Agent for distribution to the Lenders, reports showing reconciliations, aging and test verifications of, and trial balances for, the Accounts and (C) the Collateral Agent (acting on the written instructions of the Required Lenders) in its own name or in the name of others may communicate with account debtors on the Accounts to verify with them to the Collateral Agent's satisfaction the existence, amount and terms of any Accounts.

(iv) Upon the request of the Collateral Agent, each Grantor shall forward to the Collateral Agent for distribution to the Lenders, on the last Business Day of each week, deposit slips related to all cash, money, checks or any other similar items of payment received by the Grantor during such week, and, if requested by the Collateral Agent (acting on the written instructions of the Required Lenders), copies of such checks or any other similar items of payment, together with a statement showing the application of all payments on the Collateral during such week and a collection report with regard thereto, in form and substance satisfactory to the Required Lenders.

(c) Deposit Accounts/Securities Accounts. Upon the occurrence of an Event of Default and during continuation thereof, the Collateral Agent may prevent withdrawals or other dispositions of funds in Deposit Accounts and Securities Accounts subject to control agreements or held with any Secured Party.

(d) Investment Property/Pledged Collateral. Upon the occurrence of an Event of Default and during the continuation thereof: at the request of the Collateral Agent, the Collateral Agent shall have the right to receive any and all cash dividends, interest, principal, other payments or distributions made in respect of any Investment Property or Pledged Collateral or other Proceeds paid in respect of any Investment Property or Pledged Collateral, and any or all of any Investment Property or Pledged Collateral may, at the option of the Required Lenders, be registered in the name of the Collateral Agent or its nominee, and the Collateral Agent or its nominee may thereafter exercise (in each case subject to the consent of the Required Lenders) (i) all voting, corporate and other rights pertaining to such Investment Property, or any such Pledged Equity at any meeting of shareholders, partners or members of the relevant Issuers or otherwise and (ii) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Investment Property or Pledged Collateral as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Investment Property or Pledged Collateral upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the corporate, partnership or limited liability company structure of any Issuer or upon the exercise by any Grantor or the Collateral Agent of any right, privilege or option pertaining to such Investment Property or Pledged Collateral, and in connection therewith, the right to deposit and deliver any and all of the Investment Property or Pledged Collateral with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as the Collateral Agent may determine), all without liability except to account for property actually received by the Collateral Agent; provided that no Secured Party shall have any duty to any Grantor to exercise any such right, privilege or option and the Collateral Agent and the other Secured Parties shall not be responsible for any failure to do so or delay in so doing. In furtherance thereof, each Grantor hereby authorizes and instructs each Issuer with respect to any Collateral consisting of Investment Property and/or Pledged Collateral to (A) comply with any instruction received by it from the Collateral Agent in writing that (1) states that an Event of Default has occurred and is continuing and (2) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees that each Issuer shall be fully

protected in so complying following receipt of such notice and prior to notice that such Event of Default is no longer continuing, and (B) except as otherwise expressly permitted hereby, upon the request of the Collateral Agent, pay any dividends, interest, principal or other payments or distributions with respect to any Investment Property or Pledged Collateral directly to the Collateral Agent. Unless an Event of Default shall have occurred and be continuing and the Collateral Agent shall have given notice to the relevant Grantor of the intent to exercise the rights pursuant to this Section 7, each Grantor shall be permitted to receive all cash dividends, interest, principal, or other payments or distributions made in respect of any Investment Property and any Pledged Collateral to the extent permitted in the Credit Agreement, and to exercise all voting and other corporate, company and partnership rights with respect to any Investment Property and Pledged Collateral to the extent not inconsistent with the terms of this Agreement and the other Loan Documents; provided further that all dividends, interest, principal or other payments or distributions received by any Grantor contrary to the provisions of this Section 7(d) shall be held in trust for the benefit of the Collateral Agent and the Secured Parties, shall be segregated from other property or funds of such Grantor and shall be promptly (and in any event within three days or such longer period as the Required Lenders may agree in their reasonable discretion) delivered to the Collateral Agent upon demand in the same form as so received (with any necessary endorsement reasonably requested by the Collateral Agent or the Required Lenders).

(e) Access. In addition to the rights and remedies hereunder, upon the occurrence of an Event of Default and during the continuance thereof, the Collateral Agent (acting on the written instructions of the Required Lenders) shall have the right to enter and remain upon the various premises of the Grantors without cost or charge to the Secured Parties, and use the same, together with materials, supplies, books and records of the Grantors for the purpose of collecting and liquidating the Collateral, or for preparing for sale and conducting the sale of the Collateral, whether by foreclosure, auction or otherwise. In addition, the Collateral Agent may remove Collateral, or any part thereof, from such premises and/or any records with respect thereto, in order to effectively collect or liquidate such Collateral. If the Collateral Agent exercises the right to take possession of the Collateral, each Grantor shall also at its expense perform any and all other steps reasonably requested by the Collateral Agent (acting on the written instructions of the Required Lenders) to preserve and protect the security interest hereby granted in the Collateral, such as placing and maintaining signs indicating the security interest of the Collateral Agent, appointing overseers for the Collateral and maintaining inventory records.

(f) Nonexclusive Nature of Remedies. Failure by the Collateral Agent or any of the other Secured Parties to exercise any right, remedy or option under this Agreement, any other Loan Document, any other document relating to the Secured Obligations, or as provided by Law, or any delay by the Collateral Agent or such other Secured Parties in exercising the same, shall not operate as a waiver of any such right, remedy or option. No waiver hereunder shall be effective unless it is in writing, signed by the party against whom such waiver is sought to be enforced and then only to the extent specifically stated, which in the case of the Collateral Agent or such other Secured Parties shall only be granted as provided herein. To the extent permitted by Law, neither the Collateral Agent, the other Secured Parties, nor any party acting as attorney for the Collateral Agent or such other Secured Parties, shall be liable hereunder for any acts or omissions or for any error of judgment or mistake of fact or law other than (i) such Person's gross negligence or willful misconduct hereunder as determined by a final non-appealable judgment of a court of competent jurisdiction or (ii) in connection with a dispute among such parties (other than such disputes involving claims against the Collateral Agent in its capacity as such) that do not involve an act or omission by the Borrower or any other Grantor. The rights and remedies of the Collateral Agent and the other Secured Parties under this Agreement shall be cumulative and not exclusive of any other right or remedy which the Collateral Agent or the other Secured Parties may have.

(g) Retention of Collateral. In addition to the rights and remedies hereunder, Collateral Agent may, in compliance with Sections 9-620 and 9-621 of the UCC or otherwise complying with the requirements of applicable Law of the relevant jurisdiction, accept or retain the Collateral in satisfaction of the Secured Obligations. Unless and until the Collateral Agent shall have provided such notices, however, no Secured Party shall be deemed to have retained any Collateral in satisfaction of any Secured Obligations for any reason.

(h) Waiver; Deficiency. Each Grantor hereby waives, to the extent permitted by applicable Laws, all rights of redemption, appraisement, valuation, stay, extension or moratorium now or hereafter in force under any applicable Laws in order to prevent or delay the enforcement of this Agreement or the absolute sale of the Collateral or any portion thereof. In the event that the proceeds of any sale, collection or realization are insufficient to pay all amounts to which the Collateral Agent and the other Secured Parties are legally entitled, the Grantors shall be jointly and severally liable for the deficiency, together with interest thereon at the Default Rate, together with the costs of collection and the fees, charges and disbursements of counsel. Any surplus remaining after the full payment and satisfaction of the Secured Obligations shall be returned to the Grantors or to whomsoever a court of competent jurisdiction shall determine to be entitled thereto.

(i) Registration Rights. Upon the occurrence and during the continuation of an Event of Default:

(i) If the Required Lenders shall determine, as set forth in a written notice to the Collateral Agent and the Borrower, that in order to exercise the right to sell any or all of the Collateral it is necessary or advisable to have such Collateral registered under the provisions of the Securities Act (any such Collateral, the "Restricted Securities Collateral"), the relevant Grantor will cause each applicable Issuer (and the officers and directors thereof) that is a Grantor or a Subsidiary of a Grantor to (A) execute and deliver all such instruments and documents, and do or cause to be done all such other acts as may be, in the opinion of the Required Lenders, necessary or advisable to register such Restricted Securities Collateral, or that portion thereof to be sold, under the provisions of the Securities Act, (B) use its commercially reasonable efforts to cause the registration statement relating thereto to become effective and to remain effective for a period of one year from the date of the first public offering of such Restricted Securities Collateral, or that portion thereof to be sold, and (C) make all amendments thereto and/or to the related prospectus which, in the opinion of the Required Lenders, are necessary or advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto. Each Grantor agrees to cause each applicable Issuer (and the officers and directors thereof) to comply with the provisions of the securities or "Blue Sky" laws of any and all jurisdictions which the Required Lenders shall designate and to make available to its security holders, as soon as practicable, an earnings statement (which need not be audited) which will satisfy the provisions of the Securities Act.

(ii) Each Grantor agrees to use its commercially reasonable efforts to do or cause to be done all such other acts as may be necessary to make such sale or sales of all or any portion of the Restricted Securities Collateral valid and binding and in compliance with any and all other applicable Laws. Each Grantor further agrees that a breach of any of the covenants contained in this Section 7 will cause irreparable injury to the Collateral Agent and the other Secured Parties, that the Collateral Agent and the other Secured Parties have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 7 shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no Event of Default has occurred under the Credit Agreement.

8. Rights of the Collateral Agent.

(a) Power of Attorney. In addition to other powers of attorney contained herein, each Grantor hereby designates and appoints the Collateral Agent, on behalf of the Secured Parties, and each of its designees or agents, as attorney-in-fact of such Grantor, irrevocably and with power of substitution, with authority to take any or all of the following actions upon the occurrence and during the continuance of an Event of Default:

(i) to demand, collect, settle, compromise, adjust, give discharges and releases, all as the Collateral Agent (acting on the written instructions of the Required Lenders) may reasonably determine;

(ii) to commence and prosecute any actions at any court for the purposes of collecting any Collateral and enforcing any other right in respect thereof;

(iii) to defend, settle or compromise any action brought and, in connection therewith, give such discharge or release as the Collateral Agent (acting on the written instructions of the Required Lenders) may deem reasonably appropriate;

(iv) to receive, open and dispose of mail addressed to a Grantor and endorse checks, notes, drafts, acceptances, money orders, bills of lading, warehouse receipts or other instruments or documents evidencing payment, shipment or storage of the goods giving rise to the Collateral of such Grantor on behalf of and in the name of such Grantor, or securing, or relating to such Collateral;

(v) to sell, assign, transfer, make any agreement in respect of, or otherwise deal with or exercise rights in respect of, any Collateral or the goods or services which have given rise thereto, as fully and completely as though the Collateral Agent were the absolute owner thereof for all purposes;

(vi) to adjust and settle claims under any insurance policy relating thereto;

(vii) to execute and deliver all assignments, conveyances, statements, financing statements, continuation financing statements, security agreements, affidavits, notices and other agreements, instruments and documents that the Collateral Agent may determine necessary in order to perfect and maintain the security interests and liens granted pursuant to this Agreement and in order to fully consummate all of the transactions contemplated herein;

(viii) to institute any foreclosure proceedings that the Lender may deem appropriate;

(ix) to sign and endorse any drafts, assignments, proxies, stock powers, verifications, notices and other documents relating to the Collateral;

(x) to exchange any of the Pledged Collateral or other property upon any merger, consolidation, reorganization, recapitalization or other readjustment of the Issuer thereof and, in connection therewith, deposit any of the Pledged Collateral with any committee, depository, transfer agent, registrar or other designated agency upon such terms as the Collateral Agent may reasonably deem appropriate;

(xi) to vote for a shareholder resolution, or to sign an instrument in writing,

sanctioning the transfer of any or all of the Pledged Collateral into the name of the Collateral Agent or one or more of the Secured Parties or into the name of any transferee to whom the Pledged Collateral or any part thereof may be sold pursuant to Section 7 hereof;

(xii) to pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Collateral;

(xiii) to direct any parties liable for any payment in connection with any of the Collateral to make payment of any and all monies due and to become due thereunder directly to the Collateral Agent or as the Required Lenders shall direct;

(xiv) to receive payment of and receipt for any and all monies, claims, and other amounts due and to become due at any time in respect of or arising out of any Collateral;

(xv) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Lender may request to evidence the security interests created hereby in such Intellectual Property and the goodwill and General Intangibles of such Grantor relating thereto or represented thereby; and

(xvi) do and perform all such other acts and things as the Collateral Agent or the Required Lenders may reasonably deem to be necessary, proper or convenient in connection with the Collateral.

This power of attorney is a power coupled with an interest and shall be irrevocable until the Facility Termination Date. Neither the Collateral Agent nor any of the other Secured Parties shall be under any duty to exercise or withhold the exercise of any of the rights, powers, privileges and options expressly or implicitly granted to the Collateral Agent or such other Secured Parties under this Agreement, and shall not be liable for any failure to do so or any delay in doing so. Neither the Collateral Agent nor any of the other Secured Parties shall be liable for any act or omission or for any error of judgment or any mistake of fact or law in its individual capacity or its capacity as attorney-in-fact except acts or omissions resulting from its gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction. This power of attorney is conferred on the Collateral Agent solely to protect, preserve and realize upon the security interest in the Collateral provided hereunder and shall not impose any duty upon the Collateral Agent or any other Secured Party to exercise any such powers.

(b) Assignment by the Lender. The Collateral Agent may from time to time assign the Secured Obligations to a successor Collateral Agent to the extent permitted by, and appointed in accordance with, the Credit Agreement and such successor shall be entitled to all of the rights and remedies of the Collateral Agent under this Agreement and the other Loan Documents in relation thereto.

(c) The Collateral Agent's Duty of Care. Other than the exercise of reasonable care to assure the safe custody of the Collateral while being held by the Collateral Agent hereunder, the Collateral Agent shall have no duty or liability to preserve rights pertaining thereto, it being understood and agreed that the Grantors shall be responsible for preservation of all rights in the Collateral, and the Collateral Agent shall be relieved of all responsibility for the Collateral upon surrendering it or tendering the surrender of it to the Grantors. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property, which shall be no less than the treatment employed by a reasonable and prudent agent in the industry, it being understood that the Collateral Agent shall not have responsibility for

taking any necessary steps to preserve rights against any parties with respect to any of the Collateral. In the event of a public or private sale of Collateral pursuant to Section 7 hereof, the Collateral Agent shall have no responsibility for (i) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relating to any Collateral, whether or not the Collateral Agent has or is deemed to have knowledge of such matters, or (ii) taking any steps to clean, repair or otherwise prepare the Collateral for sale.

(d) Liability with Respect to Accounts. Anything herein to the contrary notwithstanding, each of the Grantors shall remain liable under each of the Accounts to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to each such Account. Neither the Collateral Agent nor any other Secured Party shall have any obligation or liability under any Account (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Collateral Agent or any other Secured Party of any payment relating to such Account pursuant hereto, nor shall the Collateral Agent or any other Secured Party be obligated in any manner to perform any of the obligations of a Grantor under or pursuant to any Account (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Account (or any agreement giving rise thereto), to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(e) Releases of Collateral.

(i) If any Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Credit Agreement (other than to a Person that is, or that is required to be, in each case, at the time of such sale, transfer or other disposition, a Loan Party (but disregarding the grace period provided for therein)), then, subject to Section 11.11 of the Credit Agreement, the Collateral Agent shall promptly, and at the request and sole expense of such Grantor, execute and deliver to such Grantor all releases and other documents, and take such other action, reasonably necessary for the release of the Liens created hereby or by any other Collateral Document on such Collateral.

(ii) Subject to Section 11.11 of the Credit Agreement, the Collateral Agent may release any of the Pledged Equity from this Agreement or may substitute any of the Pledged Equity for other Pledged Equity without altering, varying or diminishing in any way the force, effect, lien, pledge or security interest of this Agreement as to any Pledged Equity not expressly released or substituted, and this Agreement shall continue as a first priority lien, subject only to Permitted Liens, on all Pledged Equity not expressly released or substituted.

9. Application of Proceeds. After the exercise of remedies provided for in Section 8.2 of the Credit Agreement (or after the Loan has automatically become immediately due and payable as set forth in Section 8.2 of the Credit Agreement) any payments in respect of the Secured Obligations and any proceeds of the Collateral, when received by the Lender or any Secured Party in cash or Cash Equivalents will be applied in reduction of the Secured Obligations in the order set forth in Section 8.3 of the Credit Agreement.

10. Continuing Agreement.

(a) This Agreement shall remain in full force and effect until the Facility Termination Date, at which time this Agreement shall be automatically terminated (other than obligations under this Agreement which expressly survive such termination) and the Collateral Agent shall, upon the

request and at the expense of the Grantors, forthwith release all of its liens and security interests hereunder and shall execute and deliver all UCC termination statements and/or other documents reasonably requested by the Grantors evidencing such termination.

(b) This Agreement shall continue to be effective or be automatically reinstated, as the case may be, if at any time payment, in whole or in part, of any of the Secured Obligations is rescinded or must otherwise be restored or returned by the Collateral Agent or by any other Secured Party as a preference, fraudulent conveyance or otherwise under any Debtor Relief Law, all as though such payment had not been made; provided that in the event payment of all or any part of the Secured Obligations is rescinded or must be restored or returned, all reasonable costs and expenses (including without limitation any reasonable legal fees and disbursements) incurred by the Collateral Agent or by any other Secured Party in defending and enforcing such reinstatement shall be deemed to be included as a part of the Secured Obligations.

11. Amendments; Waivers; Modifications, etc. This Agreement and the provisions hereof may not be amended, waived, modified, changed, discharged or terminated except as set forth in Section 10.1 of the Credit Agreement.

12. Successors in Interest. This Agreement shall be binding upon each Grantor, its permitted successors and assigns and shall inure, together with the rights and remedies of the Lender and the Secured Parties hereunder, to the benefit of the Lender and the Secured Parties and their successors and permitted assigns.

13. Notices. All notices required or permitted to be given under this Agreement shall be in conformance with Section 10.2 of the Credit Agreement; provided that notices and communications to the Grantors shall be directed to the Grantors, at the address of the Borrower set forth in Section 10.2 of the Credit Agreement.

14. Counterparts. This Agreement may be executed in any number of counterparts, each of which where so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature page of this Agreement by fax transmission or other electronic mail transmission (e.g. “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Agreement. Without limiting the foregoing, to the extent a manually executed counterpart is not specifically required to be delivered, upon the request of any party, such fax transmission or electronic mail transmission shall be promptly followed by such manually executed counterpart.

15. Headings. The headings of the sections hereof are provided for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

16. Governing Law; Submission to Jurisdiction; Venue; WAIVER OF JURY TRIAL. The terms of Sections 10.13 and 10.14 of the Credit Agreement with respect to governing law, submission to jurisdiction, venue and waiver of jury trial are incorporated herein by reference, *mutatis mutandis*, and the parties hereto agree to such terms.

17. Severability. If any provision of this Agreement is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

18. Entirety. This Agreement, the other Loan Documents and the other documents relating to the Secured Obligations represent the entire agreement of the parties hereto and thereto, and supersede all prior agreements and understandings, oral or written, if any, including any commitment letters or

correspondence relating to the Loan Documents, any other documents relating to the Secured Obligations, or the transactions contemplated herein and therein.

19. Other Security. To the extent that any of the Secured Obligations are now or hereafter secured by property other than the Collateral (including, without limitation, real property and securities owned by a Grantor), or by a guarantee, endorsement or property of any other Person, then the Collateral Agent shall have the right to proceed against such other property, guarantee or endorsement upon the occurrence and during the continuation of any Event of Default, and the Collateral Agent (acting on the written instructions of the Required Lenders) shall have the right, in its sole discretion, to determine which rights, security, liens, security interests or remedies the Collateral Agent shall at any time pursue, relinquish, subordinate, modify or take with respect thereto, without in any way modifying or affecting any of them or the Secured Obligations or any of the rights of the Collateral Agent or the other Secured Parties under this Agreement or under any other of the Loan Documents.

20. Joinder. At any time after the date of this Agreement, one or more additional Persons may become party hereto by executing and delivering to the Collateral Agent a Joinder Agreement in the form of Exhibit B to the Credit Agreement or such other form acceptable to the Required Lenders. Immediately upon such execution and delivery of such Joinder Agreement (and without any further action), each such additional Person will become a party to this Agreement as a "Grantor" and have all of the rights and obligations of a Grantor hereunder and this Agreement and the schedules referred to herein shall be deemed amended by such Joinder Agreement.

21. Consent of Issuers of Pledged Equity. Notwithstanding any anti-assignment or other provisions in any operating agreement, limited partnership agreement or similar organizational or governance documents of any Loan Party that is an Issuer, such Loan Party hereby acknowledges, consents and agrees to (a) the grant of the security interests in such Pledged Equity by the applicable Grantors pursuant to this Agreement, together with all rights and remedies accompanying such security interest as provided by this Agreement and applicable Law and (b) waives any rights of first refusal or restrictions on transfer contained therein.

22. Joint and Several Obligations of Grantors.

(a) Each of the Grantors is accepting joint and several liability hereunder in consideration of the financial accommodations to be provided by the Lenders under the Credit Agreement, for the mutual benefit, directly and indirectly, of each of the Grantors and in consideration of the undertakings of each of the Grantors to accept joint and several liability for the obligations of each of them.

(b) Each of the Grantors jointly and severally hereby irrevocably and unconditionally accepts, not merely as a surety but also as a primary obligor, joint and several liability with the other Grantors with respect to the payment and performance of all of the Secured Obligations, it being the intention of the parties hereto that (i) all the Secured Obligations shall be the joint and several obligations of each of the Grantors without preferences or distinction among them and (ii) a separate action may be brought against each Grantor to enforce this Agreement whether or not the Borrower, any other Grantor or any other person or entity is joined as a party.

(c) Notwithstanding any provision to the contrary contained herein, in any other of the Loan Documents, to the extent the obligations of a Grantor shall be adjudicated to be invalid or unenforceable for any reason (including, without limitation, because of any applicable state or federal law relating to fraudulent conveyances or transfers) then the obligations of such Grantor hereunder shall be limited to the maximum amount that is permissible under applicable law (whether federal or state and including, without limitation, Debtor Relief Laws).

23. Marshaling. The Collateral Agent shall not be required to marshal any present or future collateral security (including but not limited to the Collateral) for, or other assurances of payment of, the Secured Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights and remedies hereunder and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights and remedies, however existing or arising. To the extent that it lawfully may, each Grantor hereby agrees that it will not invoke any law relating to the marshaling of collateral which might cause delay in or impede the enforcement of the Collateral Agent's rights and remedies under this Agreement or under any other instrument creating or evidencing any of the Secured Obligations or under which any of the Secured Obligations is outstanding or by which any of the Secured Obligations is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, each Grantor hereby irrevocably waives the benefits of all such laws.

24. Injunctive Relief.

(a) Each Grantor recognizes that, in the event such Grantor fails to perform, observe or discharge any of its obligations or liabilities under this Agreement or any other Loan Document, any remedy of law may prove to be inadequate relief to the Lender and the other Secured Parties. Therefore, each Grantor agrees that the Collateral Agent and the other Secured Parties, at the option of the Collateral Agent and the other Secured Parties, shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

(b) The Collateral Agent, the other Secured Parties and each Grantor hereby agree that no such Person shall have a remedy of punitive or exemplary damages against any other party to a Loan Document and each such Person hereby waives any right or claim to punitive or exemplary damages that they may now have or may arise in the future in connection with any dispute under this Agreement or any other Loan Document, whether such dispute is resolved through arbitration or judicially.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

GRANTORS:

INSEEGO CORP.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

NOVATEL WIRELESS, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

ENFORA, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

R.E.R. ENTERPRISES, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

INSEEGO NORTH AMERICA, LLC

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

NOVATEL WIRELESS SOLUTIONS, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

FEENEY WIRELESS IC-DISC, INC.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

Accepted and agreed to as of the date first above written.

CANTOR FITZGERALD SECURITIES, as Collateral Agent

By: /s/ Nils Horning
Name: Nils Horning
Title: Vice President

Exhibit 10.3

NOTE PURCHASE AGREEMENT

This Note Purchase Agreement (the "***Agreement***"), dated as of August 23, 2017, is entered into by and among Inseego Corp., a Delaware corporation (the "***Company***"), and the holders of the Company's Notes (as defined below) identified on the signature pages hereto (collectively, the "***Sellers***"). The Company and each Seller are referred to herein as the "***Parties***" and each a "***Party***."

WHEREAS, each Seller is the indirect holder and beneficial owner of the aggregate principal amount of the Company's 5.50% Convertible Senior Notes due 2022 (the "***Notes***") set forth opposite such Seller's name on Schedule I, issued pursuant to the Indenture, dated as of January 9, 2017 (the "***2022 Indenture***"), between the Company and Wilmington Trust, National Association, as Trustee (the "***Trustee***");

WHEREAS, concurrently with the settlement of the repurchase and sale of the Notes described on Schedule I hereto, the Company will enter into and borrow under a term loan agreement (the "***Term Loan Agreement***"; capitalized terms used herein without definition shall have the respective meanings ascribed to such terms in the Term Loan Agreement) with Cantor Fitzgerald Securities, as administrative agent and collateral agent, the guarantors party thereto and one or more lenders, including one or more of the Sellers or any of their affiliates or funds or investment vehicles managed by or under common management with the Sellers or any of their affiliates (each such entity, in such capacity, an "***Affiliate Lender***"), the proceeds of which will be used, in part, to fund one or more repurchases of the Notes as described with respect to each Seller on Schedule I hereto and as contemplated by this Agreement;

WHEREAS, as set forth in the Term Loan Agreement, the Company will agree to borrow the amount of the Purchase Price (as defined below) for all Repurchased Notes (as defined below) (the "***Repurchase Borrowing***") under the Term Loan Agreement; and

WHEREAS, the Company desires to repurchase certain Notes, and each Seller desires to sell the Notes described on Schedule I hereto to the Company.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Repurchase and Sale.

(a) On the terms and subject to the conditions set forth herein, each Seller hereby agrees to sell to the Company, and the Company hereby agrees to purchase from such Seller, the aggregate principal amount of Notes specified with respect to each Seller on Schedule I hereto (the "***Repurchased Notes***") for the following consideration to be delivered by the Company to each Seller at the Closing: (x) a cash price equal to the sum of (i) the purchase price specified next to such Seller's name on Schedule I hereto (the aggregate of such amounts payable hereunder, the "***Purchase Price***") (which amount will be satisfied by the Company's incurrence of the Repurchase Borrowing) plus (ii) unpaid and accrued interest on the Repurchased Notes from the immediately preceding Interest Payment Date (as defined in the 2022 Indenture) to, but not including, the Closing Date (as defined below), as specified next to such Seller's name on Schedule I hereto (the aggregate of such amounts payable hereunder, the "***Accrued Interest***") and (y) the number of shares of common stock of the Company, par value $0.001 per share (the "***Common Stock***"), specified next to such Seller's name on Schedule I hereto (the aggregate of such shares to be transferred hereunder, the "***Shares***").

(b) The Company and each of the Sellers agree that: (i) the Company, as Borrower under the Term Loan Agreement, will direct the Administrative Agent and Affiliate Lenders under the Term Loan Agreement to deliver the proceeds of (or make book entry notation to the effect of such delivery) the Repurchase Borrowing

thereunder to the Sellers in satisfaction of the Company's obligation to pay the Purchase Price hereunder; *provided*, that such delivery to each Seller shall be deemed to have occurred upon, and shall be effectuated by, the deemed funding on the Closing Date of Exchanged Loans by such Seller's Affiliate Lender pursuant to Section 2.3 of the Term Loan Agreement in an aggregate principal amount equal to the "Amount Deemed to Be Funded Under the Term Loan Agreement" specified next to such Seller's name in Schedule 1; *provided further,* that payment of the Accrued Interest owed to each Seller shall be effectuated by offsetting such amounts against the amounts to be funded by such Seller's Affiliate Lender under the Term Loan Agreement on the Closing Date and (ii) the Company, as the issuer of the Notes, will direct the Trustee to cancel the Repurchased Notes concurrently with the Closing.

(c) At the Closing, the Company shall deliver or cause to be delivered irrevocable instructions to Computershare, Inc., as transfer agent of the Company, or any successor transfer agent of the Company (the "***Transfer Agent***"), to issue to each Seller the portion of the Shares to which it is entitled as set forth on Schedule I in book-entry form.

2. Closing. The closing of the purchase and sale of the Repurchased Notes (the "***Closing***") will take place on the Business Day on which the Effective Time (as defined below) occurs or such date and time after the Effective Time as shall be mutually agreed to by the Parties (the "***Closing Date***"). The Closing will take place at the offices of the Company or such other place as shall be mutually agreed to by the Parties.

3. Representations and Warranties of Seller. Each Seller represents and warrants, and covenants, as applicable, as of the date hereof and as of the Closing to the Company:

(a) It is the sole beneficial owner of the Repurchased Notes described on Schedule I hereto, and neither such Repurchased Notes nor Seller's rights in such Repurchased Notes have been sold, transferred, pledged, assigned or hypothecated to any other person. Such Seller has not given any person or entity any transfer order, power of attorney or other authority of any nature whatsoever with respect to the Repurchased Notes. Such Seller has good and valid beneficial title to the Repurchased Notes, free and clear of any mortgage, lien, pledge, charge, security interest, encumbrance, title retention agreement, option, equity or other adverse claim thereto.

(b) Such Seller (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) has the power and authority, and the legal right, to make, deliver and perform this Agreement and (iii) has taken all necessary corporate or other action to authorize the execution, delivery and performance of this Agreement.

(c) This Agreement (i) has been duly executed and delivered on behalf of such Seller and (ii) constitutes a legal, valid and binding obligation of such Seller, enforceable against such Seller in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws relating to or affecting the rights of creditors generally, whether considered in a proceeding at law or in equity.

(d) Such Seller has had the opportunity to review the Company's filings with the Securities and Exchange Commission (the "***Commission***") and has had the opportunity to ask questions of the Company and its representatives and to obtain information from representatives of the Company as necessary to evaluate the merits and risks of the transaction contemplated by this Agreement. Such Seller is knowledgeable, sophisticated and experienced in business and financial matters and is able to bear the economic risk involved with the transactions contemplated by this Agreement.

(e) Such Seller acknowledges that no officer, director, attorney, broker−dealer, placement agent, finder or other person affiliated with the Company has given such Seller any information or made any representations, oral or written, other than as expressly provided in this Agreement, on which the Seller has relied upon in deciding to invest in the Shares. Such Seller acknowledges and agrees that this Agreement contains all representations and warranties made by the Company to the Seller in connection with the offering, sale and purchase of the Shares.

(f) The execution, delivery and performance of this Agreement by such Seller will not result in a violation by such Seller of any requirement of law or any contractual obligation of such Seller and will not result in, or require, the creation or imposition of any lien on any of its properties or revenues pursuant to any requirement of law or any such contractual obligation.

(g) The Shares to be received by such Seller hereunder will be acquired for such Seller's own account, not as nominee or agent for any other person, and not with a view to the resale or distribution of any part thereof in violation of the Securities Act of 1933, as amended (the "***Securities Act***"), and such Seller has no intention of selling, granting any participation in, or otherwise distributing the same in violation of the Securities Act.

(h) Such Seller understands that the Shares are characterized as "restricted securities" under the U.S. federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act only in certain limited circumstances.

(i) Such Seller is not, and has not been during the preceding three (3) months, an "affiliate" of the Company as such term is defined in Rule 144 under the Securities Act.

(j) Such Seller qualifies as either a "qualified institutional buyer" as defined in Rule 144A of the Securities Act or an "accredited investor" for purposes of Rule 501 of Regulation D.

4. Representations and Warranties of the Company. The Company represents and warrants, and covenants, as applicable, as of the date hereof and as of the Closing to each Seller:

(a) The Company (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) has the power and authority, and the legal right, to make, deliver and perform this Agreement and (iii) has taken all necessary corporate or other action to authorize the execution, delivery and performance of this Agreement.

(b) This Agreement (i) has been duly executed and delivered on behalf of the Company and (ii) constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws relating to or affecting the rights of creditors generally, whether considered in a proceeding at law or in equity.

(c) The execution, delivery and performance of this Agreement by the Company will not result in a violation by the Company of any requirement of law or any contractual obligation of the Company and will not result in, or require, the creation or imposition of any lien on any of its properties or revenues pursuant to any requirement of law or any such contractual obligation, other than as contemplated by the Term Loan Agreement.

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

(e) Except as contemplated by this Agreement, the Company has not sold or issued, nor will sell or issue any securities that would be integrated with the offering of the Shares contemplated by this Agreement pursuant to the Securities Act and the rules and regulations or the interpretations thereunder of the Commission. The Company or any person acting on its behalf has not offered or sold the Shares by means of any general solicitation or general advertising or in any manner involving a public offering within the meaning under Section 4(a)(2) of the Securities Act.

(f) Assuming the accuracy of the representations and warranties of each Seller contained

herein, the offer and issuance by the Company of the Shares as contemplated herein are exempt from registration under the Securities Act and the Company knows of no reason why such exemption is not available.

(g) The Company has timely filed, or cured any defect relating to timely filing, all registration statements, forms, reports, definitive proxy statements, schedules and other documents and filings required to be filed by it under the Securities Act or the Securities and Exchange Act of 1934, as amended (the "***Exchange Act***"), as the case may be (the "***SEC Reports***"), since January 1, 2016. The SEC Reports (i) as of the time they were filed (or if subsequently amended or superseded by an amendment or other filing, then, on the date of such subsequent filing), complied in all material respects with the requirements of the Securities Act or the Exchange Act, as the case may be, and (ii) did not, at the time they were filed (or if subsequently amended or superseded by an amendment or other filing, then, on the date of such subsequent filing), and will not, as of the Closing Date, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(h) No material adverse effect or any development involving a prospective material adverse effect in the general affairs, business, properties, management, financial condition or results of operations of the Company from that set forth in the SEC Reports has occurred.

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

5. Covenants and Other Agreements.

(a) Notwithstanding any other provision of this Section 5, each Seller covenants and agrees that the Shares may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state and federal securities laws. In connection with any transfer of the Shares other than (i) pursuant to an effective registration statement, (ii) to the Company, or (iii) pursuant to Rule 144 (provided that such Seller provides the Company with reasonable assurances (in the form of seller and, if applicable, broker representation letters) that the Shares may be sold pursuant to such rule), the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration under the Securities Act.

(b) All certificates and book entries evidencing the Shares shall bear restrictive legends in substantially the following form, until such time as they are removed in accordance with Section 5(c) below:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144
UNDER SAID ACT.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR PLEDGED EXCEPT IN ACCORDANCE WITH THE LOCK-UP AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER OF THE SECURITIES. SUCH LOCK-UP AGREEMENT EXPIRES ON THE DATE THAT IS 180 DAYS AFTER THE DATE OF ISSUANCE OF SUCH SECURITIES. ANY TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE THAT IS NOT MADE IN COMPLIANCE WITH THE LOCK-UP AGREEMENT SHALL BE ABSOLUTELY VOID AB INITIO.

(c) Upon compliance by a Seller with the requirements of this Agreement, the Company covenants and agrees that, should the Transfer Agent or its legal counsel require a legal counsel's Rule 144 opinion in connection with any sale or disposition of any Shares by such Seller pursuant to Rule 144 (including the removal of any restrictive legends from such Shares) or, after 12 months from the Closing Date should the Seller not be an affiliate of the Company, the removal of any restrictive legends from the Shares held by such Seller (whether or not in connection with a sale or disposition of such Shares), to the extent permitted by applicable law, the Company shall provide a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Transfer Agent, addressed to the Company and such Transfer Agent (if necessary), to the effect that the sale of Shares may be effected pursuant to Rule 144 and/or the removal of any restrictive legend may occur. The Seller shall provide any information and shall execute any representation letters required by the Company and/or the Transfer Agent in order to permit the Company's legal counsel to provide such opinion. The Company shall use commercially reasonable best efforts to provide such an opinion to the Transfer Agent within three Business Days of a request to do so by a Seller or the Transfer Agent.

(d) Upon the Closing, the Company shall issue a press release or file with the Commission a current report on Form 8-K publicly disclosing the material terms of this Agreement and the Term Loan Agreement.

(e) Each Seller covenants that it shall not, and shall not authorize, permit or direct its subsidiaries or affiliates to, directly or indirectly, Transfer (as defined below) any of the Shares it receives hereunder for a period of 180 days from the Closing Date without the Company's consent. Notwithstanding the foregoing, the Registrable Securities (as defined below) may be sold in accordance with the terms of an effective resale registration statement. For purposes of this Agreement, "***Transfer***" means (a) sell, assign, give, pledge, encumber, hypothecate, mortgage, exchange or otherwise dispose of, (b) grant to any person any option, right or warrant to purchase or otherwise receive, or (c) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences or other rights of ownership.

6. Conditions Precedent. The effectiveness of this Agreement and the purchase and sale of the Repurchased Notes is subject to the satisfaction of the following conditions precedent (the date and time of satisfaction of such conditions precedent, the "***Effective Time***"):

(a) Each Party shall have received this Agreement duly executed and delivered by each other Party;

(b) Each of the representations and warranties of each Party set forth herein are true and accurate as of the date hereof and will be true and accurate as of the Closing;

(c) Each Affiliate Lender shall have executed the Term Loan Agreement as a lender thereunder, with a commitment to lend an amount thereunder equal to at least the portion of the Purchase Price applicable to the Seller who is an affiliate of such Affiliate Lender (but, for the avoidance of doubt, exclusive of the amounts required to pay the Accrued Interest on the applicable Repurchased Notes), with such amounts committed as set forth on the signature pages to the Term Loan Agreement;

(d) All of the conditions to the closing and funding of loans under the Term Loan Agreements, other than the concurrent consummation of the purchase of the Repurchased Notes pursuant hereto, shall have been satisfied or waived by the Administrative Agent or Required Lenders (as defined in the Term Loan Agreement), as

applicable;

(e) Concurrently with the Closing, the Company shall have directed the Administrative Agent and each Affiliate Lender to apply the proceeds of such Affiliate Lender's loans for the Repurchase Borrowing under the Term Loan Agreement and the Exchanged Loans shall be deemed to have been funded, in each case in accordance with Section 1(b) hereof;

(f) The custodian for each Seller shall have instructed The Depositary Trust Company to post a one-sided DWAC withdrawal in the aggregate principal amount of Repurchased Notes specified with respect to each Seller on Schedule I hereto;

(g) The Company shall have delivered all necessary certificates, instruments and other documents required by the Trustee in order for the Trustee to cancel the Repurchased Notes pursuant to the terms of the 2022 Indenture;

(h) The Company shall have delivered all necessary certificates, instruments and other documents required by the Transfer Agent in order for the Transfer Agent to issue the Shares to the Sellers; and

(i) The Company shall have (i) paid in cash in full all Accrued Interest, fees, costs and expenses owed pursuant to this Agreement (including the Accrued Interest and the payment of costs and expenses pursuant to Section 10), in each case to the extent then due and payable on the Closing Date and an invoice for which has been received by the Company at least two Business Days before the Closing Date or (ii) directed the Administrative Agent and Affiliate Lenders under the Term Loan Agreement to pay such amounts in full out of the proceeds of the Term Loan Agreement.

7. Registration Rights.

(a) Registration Statement. Within 90 days after the Closing Date, the Company shall prepare and file with the Commission one registration statement under the Securities Act on Form S-3 (or such other form of registration statement as is then available to effect a registration for resale of the Registrable Securities including, but not limited to, Form S-1), for an offering to be made on a continuous or delayed basis pursuant to Rule 415 covering the resale of all of the Registrable Securities (the "***Registration Statement***"); *provided,* that the Company may exclude the Registrable Securities of any Seller that has not complied with the provisions of Section 7(b) or has notified the Company in writing of its election to exclude all of its Registrable Securities from such Registration Statement. No Seller shall be named as an "underwriter" in the Registration Statement without such Seller's prior written consent. A draft of the Registration Statement (and each amendment or supplement thereto, and each request for acceleration of effectiveness thereof) shall be provided to the Sellers and their counsel for their review and comment a reasonable time prior to its filing or other submission and the Company will not file any document to which the Sellers or their counsel reasonably object. For purposes of this Agreement, "***Registrable Securities***" means 1,232,500 shares of Common Stock received by 1992 MSF International LTD. and 396,615 shares of Common Stock received by 1992 Tactical Credit Master Fund, L.P.; *provided,* that a security shall cease to be a Registrable Security upon (i) such security being sold pursuant to a Registration Statement or Rule 144, or (ii) such security becoming eligible for sale by the Seller without restriction pursuant to Rule 144.

(b) Obligations of the Sellers. Each Seller shall furnish in writing to the Company such information regarding itself, the Registrable Securities held by it and the intended method of disposition of the Registrable Securities held by it, as shall be reasonably required to effect the registration of such Registrable Securities and shall execute such documents in connection with such registration as the Company may reasonably request. Each Seller agrees to cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of a Registration Statement hereunder, unless such Seller has notified the Company in writing of its election to exclude all of its Registrable Securities from such Registration Statement. Each Seller agrees that it will promptly notify the Company of any material changes in the information set forth in the Registration Statement furnished by or regarding such Seller or its plan of distribution.

(c) Expenses. The Company will pay all expenses associated with effecting the registration of the Registrable Securities, including filing, registration, qualification and printing fees, the Company's counsel and accounting fees and expenses, costs associated with clearing the Registrable Securities for sale under applicable state securities laws, listing fees, fees and expenses incident to any required review by the Financial Industry Regulatory Authority, Inc. of the terms of the sale of Registrable Securities to be disposed of, reasonable fees and expenses of one counsel to the Sellers (such fees and expenses of counsel to the Sellers not to exceed an aggregate of $20,000) and the Sellers' other reasonable expenses in connection with the registration, but excluding discounts, commissions, fees of underwriters, selling brokers, dealer managers or similar securities industry professionals with respect to the Registrable Securities being sold. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to this Section 7 if such proceeding is subsequently withdrawn at the request of the Sellers.

(d) Effectiveness.

(i) The Company shall use commercially reasonable efforts to have the Registration Statement declared effective as soon as practicable, but in no event later than 90 days after the Closing Date. The Company shall notify the Sellers by facsimile or e-mail as promptly as practicable, and in any event, within 24 hours, after the Registration Statement is declared effective and shall simultaneously provide the Sellers with copies of any related prospectus to be used in connection with the sale or other disposition of the securities covered thereby (the "***Prospectus***").

(ii) The Company may suspend the use of the Prospectus in the event that the Company determines in good faith that such suspension is necessary to amend or supplement the Registration Statement or the Prospectus so that such Registration Statement or Prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the case of the Prospectus in light of the circumstances under which they were made, not misleading (an "***Allowed Delay***"); provided, that (1) the Company shall promptly (x) notify each Seller in writing of the commencement of the Allowed Delay, (y) advise each Seller in writing to cease all sales under the Registration Statement until such time as the Company notifies the Sellers of the end of the Allowed Delay and (z) use commercially reasonable efforts to terminate an Allowed Delay as promptly as practicable and (2) in no event may the Company deliver more than one notice of an Allowed Delay in any six-month period or cause Allowed Delays to last for a period of greater than 45 days during any six-month period.

(iii) Each Seller agrees that, upon receipt of any notice from the Company of the commencement of an Allowed Delay, such Seller will immediately discontinue disposition of the Registrable Securities pursuant to the Registration Statement covering such Registrable Securities, until such time as it is advised by the Company that such dispositions may again be made.

(e) Rule 415 Compliance. If at any time the Commission takes the position that the offering of some or all of the Registrable Securities in a Registration Statement are not eligible to be made on a delayed or continuous basis under the provisions of Rule 415, the Company shall use commercially reasonable best efforts to persuade the Commission that the offering contemplated by the Registration Statement is a bona fide secondary offering and not an offering "by or on behalf of the issuer" as defined in Rule 415. In the event that the Commission refuses to alter its position, the Company shall (i) remove from the Registration Statement such portion of the Registrable Securities (the "***Cut Back Shares***") and/or (ii) agree to such restrictions and limitations on the registration and resale of the Registrable Securities as the Commission may require to assure the Company's compliance with the requirements of Rule 415 (collectively, the "***SEC Restrictions***"); provided, however, that the Company shall not agree to name any Seller as an "underwriter" in such Registration Statement without the prior written consent of such Seller. Any cut-back imposed pursuant to this Section 7(d) shall be allocated among the Sellers on a pro rata basis, unless the SEC Restrictions otherwise require or provide or the Sellers otherwise agree. From and after the date that the Company is able to effect the registration of such Cut Back Shares in accordance with any SEC Restrictions, all of the provisions of this Section 7 shall again be applicable to such Cut Back Shares.

(f) Transfer Agent. The Company agrees to deliver all necessary certificates, instruments and other documents required by the Transfer Agent, including if necessary an opinion from the Company or its counsel in form reasonably satisfactory to the Transfer Agent, in order to confirm the effectiveness of the Registration Statement and to authorize the Transfer Agent to remove the restrictive legends from the Registrable Securities upon receipt of a duly executed instruction letter from a Seller confirming that the Registrable Securities have been sold in accordance with the terms of the Registration Statement and requesting such removal.

(g) Cooperation. Each of the Parties shall use commercially reasonable best efforts to execute, acknowledge, deliver or cause to be executed, acknowledged or delivered, all further documents and to provide such further cooperation as shall be reasonably necessary to satisfy the requirements of this Section 7 and the purpose thereof, to permit 1992 MSF International LTD. and 1992 Tactical Credit Master Fund, L.P. to transfer the Registrable Securities pursuant to the Registration Statement.

8. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Seller and its affiliates or managers, and in each case, their respective officers, directors, employees, controlling persons (within the meaning of the Securities Act or the Exchange Act) and agents, against any loss, claim, damage, liability or out-of-pocket expense (including reasonable attorneys' fees), as incurred, if any (collectively, "***Losses***"), arising out of or relating to this Agreement and the transactions contemplated hereby, other than (i) Losses to the extent finally determined by a court of competent jurisdiction to have resulted from the bad faith, gross negligence or willful misconduct of any Seller, from a willful and material breach by any Seller of its obligations under this Agreement, from a breach by any Seller of its representations, warranties, covenants or agreements hereunder or from a claim solely among the Sellers, (ii) Losses that arise out of or are based upon any untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in the Registration Statement or Prospectus or in any amendment thereof or supplement thereto in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Seller specifically for use therein, or (iii) claims related to the use by a Seller or underwriter, if any, of an outdated or defective prospectus after such party has received notice in writing from the Company that such prospectus is outdated or defective.

(b) Each Seller, severally and not jointly, agrees to indemnify and hold harmless the Company and its affiliates or managers, and in each case, their respective officers, directors, employees, controlling persons (within the meaning of the Securities Act or the Exchange Act) and agents, against any Losses, arising out of or relating to (i) a breach by such Seller of its representations, warranties, covenants or agreements hereunder, (ii) such Seller's failure to comply with the prospectus delivery requirements of the Securities Act, (iii) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in the Registration Statement or Prospectus or in any amendment thereof or supplement thereto to the extent, but only to the extent, that (A) such untrue statements or omissions are based upon information regarding such Seller furnished in writing to the Company by such Seller expressly for use therein or (B) such information relates to such Seller or such Seller's proposed method of distribution of Registrable Securities and was reviewed and approved by such Seller expressly for use in the Registration Statement, Prospectus, amendment or supplement thereto or (iv) the use by such Seller or underwriter, if any, of an outdated or defective prospectus after the Seller or underwriter, if any, has received notice in writing from the Company that such prospectus is outdated or defective.

(c) Promptly after receipt by any person entitled to indemnification under this Section 8 (an "***Indemnified Party***") of notice of the commencement of any action, such Indemnified Party will, if a claim in respect thereof is to be made under this Section 8, notify the person from whom indemnity is sought (the "***Indemnifying Party***") in writing of the commencement thereof, but the failure to notify the Indemnifying Party will not relieve it from liability under this Section 8 unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the Indemnifying Party of substantial rights and defenses. In case any such action is brought against any Indemnified Party and such Indemnified Party seeks or intends to seek indemnity from the Indemnifying Party, the Indemnifying Party will be entitled to participate in, and, to the extent that it shall elect, by written notice delivered to the Indemnified Party promptly after receiving the aforesaid notice from such Indemnified

Party, to assume the defense thereof; *provided, however,* if the defendants in any such action include both the Indemnified Party and the Indemnifying Party and the Indemnifying Party or the Indemnified Party shall have reasonably concluded that a conflict may arise between the positions of the Indemnifying Party and the Indemnified Party in conducting the defense of any such action or that there may be legal defenses available to them and/or other Indemnified Parties that are different from or additional to those available to the Indemnifying Party, the Indemnified Party or Parties shall have the right to select separate counsel to assume such legal defenses and to otherwise participate in the defense of such action on behalf of such Indemnified Party or Parties. Upon receipt of notice from the Indemnifying Party to such Indemnified Party of the Indemnifying Party's election so to assume the defense of such action and approval by the Indemnified Party of counsel, the Indemnifying Party will not be liable to such Indemnified Party for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof unless (i) the Indemnified Party shall have employed separate counsel in accordance with the proviso to the preceding sentence (it being understood, however, that in connection with any such action the Indemnifying Party shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) representing the Indemnified Parties who are parties to such action) or (ii) the Indemnifying Party shall not have employed counsel reasonably satisfactory to the Indemnified Party to represent the Indemnified Party within a reasonable time after notice of commencement of the action.

(d) The Indemnifying Party shall not be liable for any settlement of any proceeding effected without its written consent, which shall not be withheld unreasonably, but if settled with such consent or if there is a final judgment for the plaintiff, the Indemnifying Party agrees to indemnify the Indemnified Party against any Loss by reason of such settlement or judgment. The Indemnifying Party shall not, without the prior written consent of the Indemnified Party, effect any settlement in any pending or threatened action, suit or proceeding in respect of which any Indemnified Party is or could have been a party and indemnity was or could have been sought hereunder by such Indemnified Party, unless such settlement, compromise or consent (i) includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such action, suit or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any Indemnified Party.

(e) If the indemnification provided for in this Section 8 is for any reason unavailable to or otherwise insufficient to hold harmless the Indemnified Party in respect of any Loss referred to herein, then the Indemnifying Party shall contribute to the aggregate amount paid or payable by such Indemnified Party, as incurred, as a result of any Loss referred to herein:

(i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sellers, on the other hand, pursuant to this Agreement, or

(ii) if the allocation provided by Section 8(e)(i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in Section 8(e)(i) above but also the relative fault of the Company, on the one hand, and the Sellers, on the other hand, as well as any other relevant equitable considerations.

The Company and each of the Sellers agree that it would not be just and equitable if contribution pursuant to this Section 8(e) were determined by pro rata allocation (even if the Sellers were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in this Section 8. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Sellers' obligations to contribute as provided in this Section 8 are several and not joint.

9. Termination. The Company may terminate this Agreement if there has occurred any breach or withdrawal by the Sellers of any covenant, representation or warranty set forth in this Agreement. The Sellers may terminate this Agreement if there has occurred any breach or withdrawal by the Company of any covenant, representation or warranty set forth in this Agreement. Notwithstanding anything contained herein to the contrary, the obligations set forth in Sections 7, 8 and 10 shall survive termination.

10. Costs and Expenses. As of the Effective Time, the Company shall, whether or not the transactions contemplated hereby are consummated, pay or reimburse each Seller after receipt of a reasonably detailed invoice for all costs and expenses incurred by such Seller (including invoices for the fees and expenses of counsel) in connection with (i) the consummation of the transactions hereunder, and (ii) the development, preparation, delivery, and execution of (in each case, whether or not consummated) this Agreement and the Term Loan Agreement, and any other documents prepared in connection herewith or with the consummation of the transactions contemplated hereby and thereby. The Company's reimbursement obligations under this Section 10 shall not exceed $300,000 in the aggregate.

11. Counterparts. This Agreement may be executed by one or more parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by electronic or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

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

13. Construction. References in the singular shall include the plural, and vice versa, unless the context otherwise requires. References in the masculine shall include the feminine and neuter, and vice versa, unless the context otherwise requires. Headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meanings of the provisions hereof. No Party, nor its respective counsel, shall be deemed the drafter of this Agreement for purposes of construing the provisions of this Agreement, and all language in all parts of this Agreement shall be construed in accordance with its fair meaning, and not strictly for or against either Party.

14. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT (INCLUDING ANY CLAIM OR CONTROVERSY ARISING OUT OF OR RELATING TO THIS AGREEMENT WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE) SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

15. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND FOR ANY COUNTERCLAIM THEREIN (IN EACH CASE, WHETHER FOR CLAIMS SOUNDING IN CONTRACT OR IN TORT).

16. Submission to Jurisdiction; Waivers. Each Party hereto hereby irrevocably and unconditionally:

(a) submits, for itself and its property, to the exclusive jurisdiction of any State or United States court sitting in New York, New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement (except for any proceedings instituted in regard to the enforcement of a judgment in any such court), 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 any such 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 shall affect any right that any of the undersigned may otherwise have to bring any action or proceeding relating to this Agreement against the Company or its properties in the courts of any jurisdiction;

(b) waives, to the fullest extent it may legally and effectively do so, 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 in any court referred to in paragraph (a) of this Section 16. Each of the Parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court; and

(c) consents to service of process in the manner provided for notices herein. Nothing in this Agreement will affect the right of any Party to this Agreement to serve process in any other manner permitted by law.

17. No Third Party Beneficiaries or Other Rights. Nothing herein shall grant to or create in any person not a party hereto, or any such person's dependents or heirs, any right to any benefits hereunder, and no such party shall be entitled to sue any party to this Agreement with respect thereto.

18. Notices. Unless otherwise provided, any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given as hereinafter described (a) if given by personal delivery, then such notice shall be deemed given upon such delivery, (b) if given by facsimile, then such notice shall be deemed given upon receipt of confirmation of complete transmittal, (c) if given by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next Business Day, (d) if given by mail, then such notice shall be deemed given upon the earlier of (i) receipt of such notice by the recipient or (ii) three days after such notice is deposited in first class mail, postage prepaid, and (e) if given by an internationally recognized overnight air courier, then such notice shall be deemed given one Business Day after delivery to such carrier. All notices shall be addressed to the party to be notified at the address as follows, or at such other address as such party may designate by ten days' advance written notice to the other party:

If to the Company:

Inseego Corp.
9605 Scranton Road, Suite 300
San Diego, California 92121
Attention: Chief Executive Officer
Fax:
E-mail:

With a copy to:

Paul Hastings LLP
4747 Executive Drive, 12th Floor
San Diego, California 92121
Attention: Teri O'Brien
Fax: (858) 458-3005
E-mail: teriobrien@paulhastings.com

If to the Sellers:

to the addresses set forth on the signature pages hereto.

19. Entire Agreement. This Agreement in combination with the Term Loan Agreement, the Security Instruments (as such term is defined in the Term Loan Agreement) and any ancillary documents, represents the entire agreement of the Parties with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Parties relative to the subject matter hereof not expressly set forth or referred to herein or in this Agreement.

20. Further Assurances. Each of the Parties shall execute, acknowledge, deliver or cause to be executed, acknowledged or delivered, all further documents as shall be reasonably necessary or convenient to carry out the provisions of this Agreement.

21. Amendments in Writing. This Agreement may only be amended or modified if such amendment, modification or waiver is in writing and signed by all Parties. No waiver of any breach of this Agreement shall be construed as an implied amendment or agreement to amend or modify any provision of this Agreement.

[*Signature Pages to Follow*]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed and delivered by their respective duly authorized officers on the date first written above.

INSEEGO CORP.

By: /s/ Stephen Smith
Name: Stephen Smith
Title: Chief Financial Officer

Seller:

1992 MSF International LTD.

By: Highbridge Capital Management, LLC,
as Trading Manager

By: /s/ Jason Hempel
Name: Jason Hempel
Title: Managing Director
Address: c/o Highbridge Capital Management, LLC
40 West 57th Street
32nd Floor
New York, NY 10019

Seller:

1992 Tactical Credit Master Fund, L.P.

By: Highbridge Capital Management, LLC,
as Trading Manager

By: /s/ Jason Hempel
Name: Jason Hempel
Title: Managing Director
Address: c/o Highbridge Capital Management, LLC
40 West 57th Street
32nd Floor
New York, NY 10019

SCHEDULE 1

Seller	Principal Amount of Notes Repurchased by the Company	Purchase Price for Repurchased Notes	Accrued Interest on Repurchased Notes	Amount Deemed to Be Funded Under the Term Loan Agreement	Shares of Common Stock Entitled to Receive
1992 MSF International LTD.	$11,250,000	$9,000,000	$116,875.00	$9,000,000	1,304,000
1992 Tactical Credit Master Fund, L.P.	$3,625,000	$2,900,000	$37,659.72	$2,900,000	696,000
Total:	$14,875,000	$11,900,000	$154,534.72	$11,900,000	2,000,000

Exhibit 10.7

2017 (Second Half) Inseego Corporate Bonus Plan

Officers and employees ("Participants") of Inseego Corp. (the "Company") and its subsidiaries will be eligible for bonuses under the 2017 Corporate Bonus Plan, with target bonus amounts set as a percentage of base salary based on rank or job title within the Company (the "Bonus Awards"). Commissioned employees are not covered by the Plan and are instead covered by their commission plans.

Performance Goals

The Bonus Awards under this Plan are based upon the Company meeting its Adjusted EBITDA objectives for the second half of the year.

Achievement of at least 85% of the Adjusted EBITDA Performance Goal is required for any payment of bonuses. The Performance Goal will be paid as follows:

- 85% performance equating to 25% payout.
- 100% performance equating to 100% payout.
- 110% performance equating to 120% payout.
- 130% performance equating to 150% payout.
- Bonus Awards will be pro-rated for achievement between 85% and 130%.

Eligibility

Bonus Award amounts are based upon actual base salary paid during the performance period, exclusive of other payments or bonuses. A Participant must be an employee of the Company prior to October 1, 2017 and employed by the Company on the date of distribution of the Bonus Award payment in order to receive a Bonus Award payment.

Eligibility to receive a Bonus Award under the Plan shall not confer upon any Participant any right with respect to continued employment by the Company or continued participation in the Plan. The Company reaffirms its at-will relationship with its employees and expressly reserves the right at any time to dismiss an employee free from any liability or claim for benefits pursuant to the Bonus Awards or the Plan, except as provided under the Plan or other written plan adopted by the Company or written agreement between the Company and a Participant.

Individual Performance

Bonus Award payments may be increased or decreased by up to 25% based on individual performance.

Award Payments

After the end of the Performance Period, the Compensation Committee shall determine (i) whether the established Performance Goals were achieved and (ii) the amount of the aggregate Bonus Awards. Payment of each Bonus Award amount shall be made within 60 days following the determination by the Committee that the Performance Goals and other criteria for payment were satisfied, including the filing of the 10-K. Payroll and other taxes shall be withheld as determined by the Company in accordance with law.

Notwithstanding the Committee's determination that the Performance Goals were fully satisfied, the Committee shall have the discretion to reduce each Bonus Award amount as it considers appropriate, including as a result of market conditions, personnel, new or different product offerings and/or Company restructuring.

Exhibit 10.8

AMENDMENT TO OFFER LETTER

THIS AMENDMENT TO OFFER LETTER (this "Amendment") is entered into on October 26, 2017 by and between Inseego Corp. (the Company") and Dan Mondor ("Mr. Mondor").

WHEREAS, the Company and Mr. Mondor have entered into an Offer Letter, dated June 6, 2017 (the "Offer Letter"), which sets forth the terms and conditions of Mr. Mondor's employment by the Company; and

WHEREAS, the Company and Mr. Mondor desire to amend the Offer Letter as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Company and Mr. Mondor hereby amend the Offer Letter as follows, effective retroactively to June 6, 2017:

1. The following is added as the ninth (9th) paragraph of the Offer Letter:

> **Living Expense Reimbursement.** During the term of this Offer Letter, while you maintain permanent residence in Atlanta, GA, the Company will reimburse or pay for the following living expenses ("Living Expenses"):
>
> - Use of a furnished corporate apartment plus utilities;
> - Automobile rental or lease;
> - Roundtrip travel (business class) for you between Atlanta, GA and San Diego, CA (but excluding business travel that routes through Atlanta, GA), twice per month;
> - Roundtrip travel (airline economy or economy plus) for your spouse between Atlanta, GA and San Diego, CA, once per month;
> - San Diego area meals and laundry expenses prior to the date you occupy the corporate apartment described above.
>
> It is anticipated that some or all of the reimbursed Living Expenses may be taxable to you. Therefore, the Company will gross up Living Expense payments for federal and California income tax purposes so that you are in the same position as if you were not subject to such taxes. This gross up shall be made periodically based on submittal of gross up calculations by Mr. Mondor.

2. The remaining paragraphs of the Offer Letter shall remain unchanged by this Amendment. This Amendment shall be and is hereby incorporated in and forms part of the Offer Letter.

3. Except as amended as set forth herein, the Offer Letter shall continue in full force and effect. For the avoidance of confusion, this Amendment does not alter the "at-will" nature of Mr. Mondor's employment with the Company.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Amendment Effective Date.

DAN MONDOR

/s/ Dan Mondor

INSEEGO CORP.

By: /s/ Philip Falcone

Name: Philip Falcone

Title: Chairman

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

Pursuant to Rule 13a-14(a) adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Dan Mondor, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Inseego Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2017

/s/ Dan Mondor

Dan Mondor

Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

Pursuant to Rule 13a-14(a) adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Stephen Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Inseego Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2017

/s/ Stephen Smith

Stephen Smith

Chief Financial Officer
(principal financial officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO SECTION 906

OF THE SARBANES-OXLEY ACT OF 2002

I, Dan Mondor, Chief Executive Officer of Inseego Corp. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2017 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: November 7, 2017

/s/ Dan Mondor

Dan Mondor

Chief Executive Officer
(principal executive officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Stephen Smith, Chief Financial Officer of Inseego Corp. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2017 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: November 7, 2017

/s/ Stephen Smith

Stephen Smith

Chief Financial Officer
(principal financial officer)