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

Form 10-K

☑ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended January 29, 2022

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 001-37495

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

Minnesota	**41-1673770**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

6740 Shady Oak Road, Eden Prairie, MN 55344-3433
(Address of principal executive offices, including Zip Code)

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	**IMBI**	**The Nasdaq Stock Market, LLC**
8.5% Senior Note due 2026	**IMBIL**	**The Nasdaq Stock Market, LLC**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☑

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 ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files). 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 ☑ Non-accelerated filer ☐ Smaller reporting company ☑
Emerging growth company ☐

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

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

As of April 21, 2022, 21,730,523 shares of the registrant's common stock were outstanding. The aggregate market value of the common stock held by non-affiliates of the registrant on July 31, 2021, the last business day of the registrant's most recently completed second quarter, based upon the closing sale price for the registrant's common stock as reported by The Nasdaq Stock Market, LLC on July 31, 2021 was approximately $117,966,034. For purposes of determining such aggregate market value, all officers and directors of the registrant are considered to be affiliates of the registrant, as well as shareholders deemed to be affiliates under Rule 12b-2 of the Exchange Act either by holding 10% or more of the outstanding common stock as reported in reports filed with the Commission or by having certain contractual relationships with the registrant related to control. This number is provided only for the purpose of this annual report on Form 10-K and does not represent an admission by either the registrant or any such person as to the status of such person.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the close of its fiscal year ended January 29, 2022 are incorporated by reference in Part III of this annual report on Form 10-K.

iMEDIA BRANDS, INC.
ANNUAL REPORT ON FORM 10-K
For the Fiscal Year Ended

January 29, 2022

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This annual report on Form 10-K and other materials we file with the Securities and Exchange Commission (the "SEC") (as well as information included in oral statements or other written statements made or to be made by us) contain certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements contained herein that are not statements of historical fact, including statements regarding guidance, industry prospects or future results of operations or financial position are forward-looking. We often use words such as "anticipates," "believes," "estimates," "expects," "intends," "predicts," "hopes," "should," "plans," "will" and similar expressions to identify forward-looking statements. These statements are based on management's current expectations and accordingly are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, many of which are, and will continue to be, amplified by the COVID-19 pandemic, including (but not limited to): the impact of the COVID-19 pandemic on our sales, operations and supply chain, variability in consumer preferences, shopping behaviors, spending and debt levels; the general economic and credit environment; interest rates; seasonal variations in consumer purchasing activities; the ability to achieve the most effective product category mixes to maximize sales and margin objectives; competitive pressures on sales and sales promotions; pricing and gross sales margins; the level of cable and satellite distribution for our programming and the associated fees or estimated cost savings from contract renegotiations; our ability to establish and maintain acceptable commercial terms with third-party vendors and other third parties with whom we have contractual relationships, and to successfully manage key vendor and shipping relationships and develop key partnerships and proprietary and exclusive brands; our ability to manage our operating expenses successfully and our working capital levels; our ability to remain compliant with our credit facility covenants; customer acceptance of our branding strategy and our repositioning as a video commerce company; our ability to respond to changes in consumer shopping patterns and preferences, and changes in technology and consumer viewing patterns; changes to our management and information systems infrastructure; challenges to our data and information security; changes in governmental or regulatory requirements, including without limitation, regulations of the Federal Communications Commission ("FCC") and Federal Trade Commission, and adverse outcomes from regulatory proceedings; litigation or governmental proceedings affecting our operations; significant events (including disasters, weather events or events attracting significant television coverage) that either cause an interruption of television coverage or that divert viewership from our programming; disruptions in our distribution of our network broadcast to our customers; our ability to protect our intellectual property rights; our ability to obtain and retain key executives and employees; our ability to attract new customers and retain existing customers; changes in shipping costs; expenses relating to the actions of activist or hostile shareholders; our ability to offer new or innovative products and customer acceptance of the same; changes in customer viewing habits of television programming; and the risks identified under Item 1A (Risk Factors) in this annual report on Form 10-K. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this filing. We are under no obligation (and expressly disclaim any such obligation) to update or alter our forward-looking statements whether as a result of new information, future events or otherwise.

PART I

Item 1. Business. (Dollars in thousands)

When we refer to "we," "our," "us" or "iMedia," we mean iMedia Brands, Inc. and its subsidiaries unless the context indicates otherwise. iMedia Brands, Inc. is a Minnesota corporation formed in 1990 with principal and executive offices located at 6740 Shady Oak Road, Eden Prairie, Minnesota 55344-3433.

Our fiscal year ends on the Saturday nearest to January 31 and results in either a 52-week or 53-week fiscal year. Our most recently completed fiscal year, fiscal 2021, ended on January 29, 2022 and consisted of 52 weeks. Fiscal 2020 ended on January 30, 2021 and consisted of 52 weeks. Fiscal 2019 ended on February 1, 2020 and consisted of 52 weeks. Fiscal 2022 will end on January 28, 2023 and will consist of 52 weeks. On July 16, 2019, we changed our corporate name to iMedia Brands, Inc. from EVINE Live Inc.

Our corporate website address is www.imediabrands.com. Our annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, proxy and information statements, and amendments to these reports if applicable, are available, without charge, on our investor relations website at investors.imediabrands.com as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Copies also are available, without charge, by contacting the Corporate Secretary, iMedia Brands, Inc., 6740 Shady Oak Road, Eden Prairie, Minnesota 55344-3433. Our goal is to maintain the investor relations website as a way for investors to easily find information about us, including press releases, announcements of investor conferences, investor and analyst presentations and corporate governance. The information found on our website does not constitute a part of this annual report or any other report we file with, or furnish to, the SEC. The SEC also maintains a website at www.sec.gov that contains reports, proxy and information statements and other information regarding us and other companies that file materials with the SEC electronically.

General

We are a leading interactive media company capitalizing on the convergence of entertainment, ecommerce, and advertising. We own a growing, global portfolio of entertainment, consumer brands and media commerce services businesses that cross promote and exchange data with each other to optimize the engagement experiences we create for advertisers and consumers. Our growth strategy revolves around our ability to increase our expertise and scale using interactive video and first-party data to engage customers within multiple business models and multiple sales channels. We believe our growth strategy builds on our core strengths and provides an advantage in these marketplaces. We operate and report three operating segments, which are entertainment, consumer brands and media commerce services. Our operating segments have been updated in fiscal 2021 to align with the segments' respective product mix, revenue streams, and growth strategy. The corresponding current and prior period segment disclosures have been recast to reflect the current segment presentation.

Entertainment Segment – Our entertainment segment is comprised of our television networks, ShopHQ, ShopBulldogTV, ShopHQHealth, ShopJewelryHQ and 1-2-3.tv, which service homes throughout the United States, Puerto Rico, Germany and Austria.

- **ShopHQ** (www.shophq.com) is our flagship, nationally distributed shopping entertainment network distributed in approximately 80 million United States and Puerto Rican homes that offers a mix of proprietary, exclusive, and name-brand merchandise in the categories of Jewelry and Watches, Home, Beauty and Health, and Fashion and Accessories, directly to consumers 24 hours a day, 365 days a year using engaging interactive video.
- **ShopBulldogTV** (www.shopbulldogtv.com), which launched in the fourth quarter of fiscal 2019, is a niche television shopping entertainment network distributed in approximately 14 million United States homes that offers male-oriented products and services to men and to customers shopping for men.
- **ShopHQHealth** (www.shophqhealth.com), which launched in the third quarter of fiscal 2020, is a nationally distributed niche television shopping entertainment network distributed in approximately 14 million United States homes that offers women and men products and services focused on health and wellness categories such as

physical, mental and spiritual health, financial and motivational wellness, weight management and telehealth medical services.

- **ShopJewelryHQ** (www.shopjewelryHQ.com), which digitally launched in the fourth quarter of fiscal 2021 and will be securing distribution in United States television homes in 2022 is a niche television shopping entertainment network that offers jewelry products and services to men and to women.
- **1-2-3.tv** (www.1-2-3.tv), which we acquired in November 2021, is the leading German interactive media company distributed in approximately 40 million German and Austrian homes, disrupting Germany's TV retailing marketplace with its expertise in proprietary live and automated auctions that emotionally engage customers with 1-2-3.tv's balanced merchandising mix of compelling products shipped directly to their homes.

Each entertainment network offers engaging, interactive video programming distributed primarily in linear television through cable and satellite distribution agreements, agreements with telecommunication companies and arrangements with over-the-air broadcast television stations. This interactive programming is also streamed live online on the respective network's digital commerce platforms that sell products which appear on our television networks as well as offer an extended assortment of online-only merchandise. These networks' interactive video is also available on leading social platforms over-the-top ("OTT") platforms and ConnectedTV platforms ("CTV") such as Roku, AppleTV, and Samsung connected televisions, and mobile devices, including smartphones and tablets.

Consumer Brands Segment – Our consumer brands segment is comprised of Christopher & Banks ("C&B"), J.W. Hulme Company ("JW"), Cooking with Shaquille O'Neal ("Shaq"), OurGalleria.com and TheCloseout.com, which are primarily ecommerce within the United States.

- **Christopher & Banks** – Our flagship consumer brand, C&B was founded in 1956 and is a brand that specializes in offering women's value-priced apparel and accessories that cater to women of all sizes, from petite to missy to plus sizes. Its internally designed, modern and comfortable apparel and accessories provide customers with an exclusive experience. We acquired the rights to the brand through a licensing agreement in partnership with a Hilco Global company in March 2021. C&B's omni-channel business model includes digital advertising driven online revenue, five brick and mortar retail stores, direct-to-consumer catalogs and a growing wholesaling business driven primarily by C&B's television programming on our entertainment networks.
- **J.W. Hulme Company** – JW was founded in 1905 and is an iconic brand offering men and women high quality accessories made by craftswomen and craftsmen all over the world. We acquired the brand in 2019. JW's omni-channel business model includes two brick and mortar retail stores, direct-to-consumer catalogs, digital advertising driven online revenue and a growing wholesaling business driven primarily by JW's television programming on our entertainment networks.
- **Cooking with Shaquille O'Neal –** We offer Shaq kitchen products and watches designed and curated by Shaq via its licensing agreement with Authentic Brands Group. Shaq's omnichannel business model is driven by Shaq's television programming on our entertainment networks.
- **OurGalleria.com** and **TheCloseout.com** are online marketplaces with business models driven by their television programming on our television networks. OurGalleria.com is a higher-end online marketplace for discounted merchandise, offering an exciting shopping experience with a selection of curated flash sales and events. TheCloseout.com is a lower-end online marketplace for discounted merchandise, offering quality products at deeply discounted prices. We obtained a controlling interest in TheCloseout.com in 2021.

Media Commerce Services Segment – Our media commerce services segment is comprised of iMedia Digital Services ("iMDS"), Float Left ("FL") and i3PL, which service homes throughout the United States and Canada.

- **iMedia Digital Services** – Our flagship media commerce service brand is iMDS, which is a digital advertising platform specializing in engaging shopping enthusiasts online and in OTT marketplaces. iMDS's suite of services includes its Retail Media Exchange ("RME") and value-added services ("VAS"). RME is an advertising auction platform for advertisers, digital publishers, supply-side-platforms (SSPs) and demand-side platforms (DSPs). VAS is a suite of services centered on offering managed and self-serve end-to-end, white-label digital platforms for domestic multichannel video programming distributors ("MVPDs"), internet service providers (ISPs), digital publishers and ecommerce brands. iMDS's growth strategy is driven by its ability to differentiate its advertising

platform by offering solutions that include our first-party shopping enthusiast data created continually by our entertainment and consumer brand segments. iMDS is primarily comprised of Synacor's Portal and Advertising business, which we acquired in July 2021.

- **Float Left** – FL is an OTT Software as a Service ("SaaS") app platform that offers media and consumer brands the digital tools they need to deliver engaging television experiences to their audiences within the OTT and CTV ecosystems. FL offers custom, natively built solutions for Roku, Fire TV, Apple TV, Web, iOS and Android Mobile, and various smart TVs. Its growth strategy is driven by its ability to integrate iMDS's advertising operations within its OTT SaaS platform and continue to deliver sophisticated end-to-end OTT apps. We acquired FL in 2019.
- **i3PL** offers end-to-end, white label, managed services specializing in ecommerce customer experience and fulfillment services through its Bowling Green distribution center. i3PL's business model is driven primarily by providing these services to vendors, clients and customers within our entertainment and consumer brands segments.

Growth Strategy

Our growth strategy is driven by the continued growth of our entertainment brands and consumer brands that are designed to increasingly create powerful national promotional platforms and first-party shopping enthusiast data that will enable us to build truly differentiated and scaled media commerce services offerings that exceed customers' expectations and provide advertisers compelling conversion and reach opportunities for their products and services. Each of our businesses target the same customer demographic, which is women and men who are at least 40 years old, and is the basis for why the three operating segments can cross promote and share data to improve our customers experiences.

1-2-3.tv Group Acquisition

As discussed above, on November 5, 2021, we acquired all of the issued and outstanding equity interests of 1-2-3.tv Invest GmbH and 1-2-3.tv Holding GmbH (collectively with their direct and indirect subsidiaries, the "1-2-3.tv Group") from Emotion Invest GmbH & Co. KG, BE Beteiligungen Fonds GmbH & Co. geschlossene Investmentkommanditgesellschaft and Iris Capital Fund II (collectively, the "Sellers") pursuant to a Sale and Purchase Agreement, dated September 22, 2021, for an aggregate purchase price of EUR 89,680 ($103,621 based on the November 5, 2021 exchange rate) (the "*Enterprise Value*"). We also paid to the Sellers EUR 1,832 ($2,117 based on the November 5, 2021 exchange rate) for the 1-2-3.tv Group's cash on-hand as of July 31, 2021 and EUR 966 ($1,116 based on the November 5, 2021 exchange rate) for the 1-2-3.tv Group's excess working capital above the 1-2-3.tv Group's trailing twelve-month average as of July 31, 2021. The Enterprise Value consideration consisted of the payment to the Sellers of EUR 68,200 in cash at the closing of the acquisition ($78,802 based on the November 5, 2021 exchange rate) and us entering into a seller note agreement in the principal amount of EUR 18,000 ($20,800 based on the November 5, 2021 exchange rate) (the "seller notes") and fair value of EUR 18,800 ($21,723 based on the November 5, 2021 exchange rate). The seller notes are payable in two installments of EUR 9,000 ($10,400 based on the November 5, 2021 exchange rate) due on the first and second anniversaries of the issuance date. The seller notes bear interest at a rate equal to 8.50% per annum, payable semi-annually commencing on the six-month anniversary of the closing date.

Competition

Our business segments each compete in distinct subsets of the entertainment, interactive media, digital advertising and ecommerce ecosystems, and all of these subsets are highly competitive.

The brands in our entertainment segment are in direct competition with numerous cable and broadcast networks for viewership, and in direct competition with online and brick and mortar retailers for merchandise sales. Many of these competitors are larger and better financed. For example, ShopHQ's direct competitors within the television shopping industry include QVC, Inc. and HSN, Inc., which are owned by Qurate Retail Inc. Both QVC, Inc. and HSN, Inc. are substantially larger than we are in terms of annual revenues and customers, and the programming of each is carried more broadly to U.S. households, including high-definition bands and multi-channel carriage, than our programming. However, we believe our programming strategies focused on demonstrating high quality wearables products, our merchandising

strategies focused on offering exclusive, hard-to-find products and our continued growth of our own consumer brands enable us to compete at scale.

The brands in our consumer brands segment are in direct competition with numerous ecommerce, omnichannel and/or brick and mortar retailers' who are often larger and better financed. For example, C&B is a direct competitor with leading omnichannel women's apparel brands like Talbots and Chicos. However, we believe C&B's 65-year history of producing affordable apparel with exclusive patterns and full sizes coupled with our new ShopHQ programming that is driving national promotional awareness, enables us to compete at scale.

The brands in our media commerce services segment are in direct competition with numerous digital entertainment and advertising platforms and services and many of these competitors are larger and better financed. For example, iMDS builds digital advertising and online services that use proprietary technology and/or processes to improve advertising conversion and customer experience. This means we compete with companies like Shopify, News Corp, Amazon and Roku. However, we believe our enterprise growth strategy to use our owned entertainment brands' and consumer brands' first-party shopping enthusiast data to differentiate iMDS's advertising products will enable iMDS to grow revenue share in the digital advertising information layer at a time when the digital advertising landscape will soon be eliminating the use of third-party cookies.

Employees & Locations

Our top human capital management objectives are to attract, retain and develop the highest quality talent. To achieve these objectives, our human resources programs are designed to prepare our talent for critical roles and leadership positions for the future; reward and support employees through competitive pay and benefits; enhance our culture through efforts aimed at making the workplace more engaging and inclusive; and acquire talent and facilitate internal talent mobility to create a high-performing and diverse workforce.

As of January 29, 2022, we employed approximately 1,096 employees, including approximately 907 full-time employees and 189 part-time and seasonal employees, with approximately 960 in the U.S, and 136 internationally. We are not a party to any collective bargaining agreement with respect to our employees.

We believe our equitable and inclusive employment environment, underpinned with diverse teams, enables us to create, develop and implement core values that leverage the strengths of our workforce to exceed customer expectations and meet our growth objectives. We bring together our employees from all different backgrounds to solve our clients' diverse demands and viewpoints.

Current initiatives we are working on include employee experience, talent acquisition, external relationships, and community involvement. We place a high value on inclusion and strive to encourage our employees to partner with one another and their communities at large to create a connected community in the truest sense of the word. We are committed to having a diverse talent pipeline by recruiting diverse talent across all leadership and skill areas. We are committed to equal employment opportunity and pay equality, regardless of gender, race/ethnicity, or background.

It is our intent to create a network where our customers, no matter their gender, race, ethnicity, religion, political views or any other characteristic, feel safe and welcome when they tune in. To create such an environment starts with our employees, and we strive to ensure that we create a diverse, inclusive, and dynamic working environment for our employees.

Regulation

Our business segments each compete in distinct subsets of the entertainment, interactive media, digital advertising and ecommerce ecosystems, and all of these subsets are subject to extensive regulation by federal and state authorities.

The cable television industry is subject to extensive regulation by the FCC. The following does not purport to be a complete summary of all of the provisions of the Communications Act of 1934, as amended ("Communications Act"), the Cable Television Consumer Protection Act of 1992, the Telecommunications Act of 1996 ("Telecommunications Act"), or other laws and FCC rules or policies that may affect our operations. Proposals for additional or revised regulations and requirements are pending before, are being considered by, and may in the future be considered by, Congress and federal regulatory agencies from time to time.

The cable television industry is also regulated by state and local governments with respect to certain franchising matters. The FCC regulates the terms of cable programming networks that are distributed by satellite, as ours is. Those regulations require, among other things, that programming channels be provided to all competing MVPDs on reasonable request. FCC rules also require that all video programming distributed over MVPDs include captioning for the hearing-impaired, and that all programs that were originally produced to be viewed over MVPD facilities include captions if they are subsequently distributed over the internet.

The FCC has required that all full-length television programming redistributed over the internet be captioned, and also requires captioning of programming segments distributed over the internet that were shown on television with closed captions. We currently provide closed captioning on full-length programming redistributed over the internet and other programming segments as required by the Communications Act and implementing rules.

Our e-commerce activities are subject to a number of general business regulations and laws regarding taxation and online commerce. There have been continuing efforts to increase the legal and regulatory obligations and restrictions on companies conducting commerce through the internet, primarily in the areas of taxation, consumer privacy and protection of consumer personal information. A growing number of U.S. state laws impose privacy and data security requirements on companies that collect certain types of personal information and other similar requirements may be adopted in the future. Since our acquisition of 1-2-3.tv Group, which primarily serves consumers in the European Union ("EU"), a portion of our business activities are also now subject to data privacy and security requirements under EU laws such as the General Data Protection Regulation and German Data Protection Authorities' guidance. The differing data privacy and security requirements depending on the residence of our customers could impose added compliance costs.

We have historically collected sales tax from customers in states where we have physical presence under the principles laid out under the 1992 United States Supreme Court decision in Quill Corp. v. North Dakota and subsequent related state statutes and regulations. We have continually monitored our physical presence activities and have historically registered to collect sales tax in multiple states and localities as physical activities have expanded. On June 21, 2018, the United States Supreme Court issued its decision in the South Dakota v. Wayfair, Inc., which overturned the Quill Corp. v. North Dakota physical presence standard and allows state and local taxing jurisdictions to impose sales tax collection responsibilities on remote sellers like us based solely on making a minimum level of sales into the state. We are monitoring state legislation activities in the wake of South Dakota v. Wayfair, Inc. that would require us to register to collect sales tax in additional state and local taxing jurisdictions and believe we have complied with new state sales tax legislation as enacted to date.

There are a number of U.S. federal and state laws that limit our ability to pursue certain direct marketing activities, including the Telephone Consumer Protection Act, and the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003, or the CAN-SPAM Act, and similar laws enacted in various U.S. states. Since our acquisition of 1-2-3.tv Group, which primarily serves consumers in the EU, a portion of our business activities are also now subject to direct marketing requirements and restrictions under EU laws such as the General Data Protection Regulation, German Data Protection Authorities' guidance, and German national laws such as the Telemedia Act. The statutes govern when and how we may contact consumers through various communication methods, including email, phone calls, and texts, in some cases requiring consent and in others allowing a consumer to opt out of certain communications. These types of regulation may limit our ability to pursue certain direct marketing activities, thus potentially limiting our sales and number of customers.

Changes in consumer protection laws also may impose additional burdens on those companies conducting business online. The adoption of additional laws or regulations may decrease the growth of the internet or other online services, which could, in turn, decrease the demand for our products and services or increase our cost of doing business through the internet.

In addition, since our websites are available over the internet in all states, various states may claim that we are required to qualify to do business as a foreign corporation in such state, a requirement that could result in fees and taxes as well as penalties for the failure to comply. Any new legislation or regulation, the application of laws and regulations from jurisdictions whose laws do not currently apply to our business or the application of existing laws and regulations to the internet and other online services could have a material adverse effect on the growth of our business in this area.

In our entertainment and consumer brands reporting segments, we offer our customers a broad range of merchandise through television, online, mobile mediums, catalog and retail. The manner in which we promote and sell our merchandise,

including claims and representations made in connection with these efforts, is regulated by a wide variety of federal, state and local laws, regulations, rules, policies and procedures in the U.S. and in the EU (to the extent we conduct business activities in the EU following our acquisition of 1-2-3.tv Group) in the U.S. and in the EU (to the extent we conduct business activities in the EU following our acquisition of 1-2-3.tv Group). Some examples of these that affect the manner in which we sell and promote merchandise or otherwise operate our businesses include, but are not limited to, the following:

- The Food and Drug Administration's regulations regarding marketing claims that can be made about cosmetic beauty products and over-the-counter drugs, which include products for treating acne or medical products, and claims that can be made about food products and dietary supplements;
- The Federal Trade Commission's regulations requiring that marketing claims across all product and service categories are truthful, not misleading, and substantiated, as well as its related regulations requiring disclosures concerning the seller's material connections with or compensation to endorsers and influencers;
- Regulations related to product safety issues and product recalls including, but not limited to, the Consumer Product Safety Act, the Consumer Product Safety Improvement Act of 2008, the Federal Hazardous Substance Act, the Flammable Fabrics Act and regulations promulgated pursuant to these acts;
- Federal and state laws and regulations prohibiting unfair and deceptive trade practices or false and misleading advertisements that are administered and enforced by state Attorney Generals and other consumer protection agencies; and
- Laws governing the collection, use, retention, security and transfer of personal information about our customers.

These laws, regulations, rules, policies and procedures are subject to change at any time. Unfavorable changes that are applicable to our operations could decrease demand for merchandise offered by us, increase costs which we may not be able to offset, subject us to additional liabilities and/or otherwise adversely affect our businesses.

Item 1A. Risk Factors

Our businesses are subject to many risks. The following are material factors known to us that could have a material adverse effect on our business, reputation, operating results, industry, financial position, or future financial performance. The following risks should be considered in evaluating an investment in us.

Risks Relating to Our Businesses

We are subject to the auditor attestation requirement on the assessment of our internal control over financial reporting for our year ended January 29, 2022 and we and our auditors have identified material weaknesses in our internal control over financial reporting as disclosed in this 2021 Form 10-K.

The Company is now subject to the requirement to include in this 2021 Form 10-K our auditor's attestation report on its assessment of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act ("SOX"). We and our auditors have identified deficiencies in our internal control over financial reporting as disclosed in this 2021 Form 10-K as required under Section 404 of SOX. As some of these deficiencies are deemed material weaknesses in internal control over financing reporting, our auditors have issued an adverse opinion in their assessment of our internal control over financial reporting. The issuance of an adverse opinion regarding our internal control over financial reporting could adversely impact investor confidence in the accuracy, reliability, and completeness of our financial reports.

We have identified material weaknesses in our internal control over financial reporting. If we are unable to effectively remediate these material weaknesses and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, investors could lose confidence in our financial and other public reporting, which would harm our business.

Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, is designed to prevent fraud. In connection with the preparation of our consolidated financial statements as of January 29, 2022 and for the year then ended, we identified material weaknesses

in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weaknesses in our internal control over financial reporting have been identified:

- We did not maintain an effective control environment based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the control environment of the COSO framework. Specifically, control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) appropriate organizational structure, reporting lines, and authority and responsibilities in pursuit of objectives; (ii) our commitment to attract, develop, and retain competent individuals; and (iii) holding individuals accountable for their internal control related responsibilities.
- We did not design and implement an effective risk assessment based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the risk assessment component of the COSO framework. Specifically, control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) identifying, assessing, and communicating appropriate objectives; (ii) identifying and analyzing risks to achieve these objectives; (iii) considering the potential for fraud in assessing risks; and (iv) identifying and assessing changes in the business that could impact our system of internal controls.
- We did not design and implement effective control activities based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the control activities component of the COSO framework. Specifically, control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) selecting and developing control activities that contribute to the mitigation of risks and support achievement of objectives; and (ii) deploying control activities through policies that establish what is expected and procedures that put policies into action.
- We did not consistently generate or provide adequate quality supporting information and communication based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the information and communication component of the COSO framework. Specifically, control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) obtaining, generating, and using relevant quality information to support the functions of internal control; and (ii) communicating accurate information internally and externally, including providing information pursuant to objectives, responsibilities, and functions of internal control.
- We did not design and implement effective monitoring activities based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the monitoring component of the COSO framework. Specifically, control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) selecting, developing, and performing ongoing evaluation to ascertain whether the components of internal controls are present and functioning; and (ii) evaluating and communicating internal control deficiencies in a timely manner to those parties responsible for taking corrective action.

If we are unable to effectively remediate these material weaknesses and maintain effective internal control over financial reporting, we may fail to prevent or detect material misstatements in our financial statements, in which case investors may lose confidence in the accuracy and completeness of our financial statements.

We have a history of losses and a high fixed cost operating base and may not be able to achieve or maintain profitable operations in the future.

We experienced operating losses of approximately $10,725, $7,940 and $52,525 in fiscal 2021, fiscal 2020 and fiscal 2019. We reported net losses of $23,026, $13,234 and $56,296 in fiscal 2021, fiscal 2020 and fiscal 2019. There is no assurance that we will be able to achieve or maintain profitable operations in future fiscal years. Our television shopping business operates with a high fixed cost base, primarily driven by fixed fees under distribution agreements with cable and direct-to-home satellite providers to carry our programming. In order to operate on a profitable basis, we must reach and maintain sufficient annual sales revenues to cover our high fixed cost base and/or negotiate a reduction in this cost structure. If our sales levels are not sufficient to cover our operating expenses, our ability to reduce operating expenses in the near term will be limited by the fixed cost base. In that case, our earnings, cash balance and growth prospects could be materially adversely affected.

Given this trend, if not reversed, it could reduce our operating cash resources to the point where we will not have sufficient liquidity to meet the ongoing cash commitments and obligations to continue operating our business. As of January 29, 2022, we had approximately $11,295 in unrestricted cash. We expect to use our cash and available credit line to finance our working capital requirements and to make necessary capital expenditures in order to operate our business and to fund any further operating losses. We have had a historic trend of operating losses, which, if not reversed, could reduce our operating cash resources to the point where we would not be able to adequately fund working capital requirements or necessary capital expenditures.

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We have a loan and security agreement (as amended through September 20, 2021, the "Siena Loan") with Siena Lending Group LLC ("Siena"), and the other lenders party thereto from time to time, Siena Lending Group LLC, as agent (the "Agent"), and certain additional of our subsidiaries, as guarantors thereunder. The Siena Loan provides a revolving line of credit of up to $80,000 and provides for the issuance of letters of credit in an aggregate amount up to $5,000 which, upon issuance, would be deemed advances under the revolving line of credit.

As of January 29, 2022, we had total borrowings of $60,216 under our revolving line of credit with Siena. Remaining available capacity under the revolving line of credit as of January 29, 2022 was approximately $11,400, which provided liquidity for working capital and general corporate purposes. As of January 29, 2022, we were in compliance with applicable financial covenants of the Siena Credit Facility and expect to be in compliance with applicable financial covenants over the next twelve months.

We and our subsidiaries (the "Borrowers") have a Promissory Note Secured by Mortgages with GreenLake Real Estate Finance LLC whereby GreenLake agreed to make a secured term loan to the Borrowers in the original amount of $28,500. The GreenLake Note is secured by, among other things, mortgages encumbering our owned properties in Eden Prairie, Minnesota and Bowling Green, Kentucky (collectively, the "Mortgages") as well as other assets as described in the GreenLake Note. The GreenLake Note is scheduled to mature on July 31, 2024.

As of January 29, 2022, there was $28,500 outstanding under the term loan with GreenLake. Principal borrowings under the term loan are non-amortizing over the life of the loan.

We completed and closed on our $80,000 offering of 8.50% Senior Unsecured Notes due 2026 (the "Notes") and issued the Note. As of January 29, 2022, the entire $80,000 principal amount of the Notes was outstanding.

We have significant future commitments for our cash, which primarily include payments for cable and satellite program distribution obligations and the eventual repayment of the Siena Loan, GreenLake Financing, and Senior Notes. Based on our current projections for fiscal 2022, we believe that our existing cash balances and available credit line will be sufficient to maintain liquidity to fund our normal business operations over the next twelve months. We further believe that our financial resources, along with managing expenses, will allow us to manage the anticipated impact of COVID-19 on our business operations for the foreseeable future which may include reduced sales and net income levels for us.

The seasonality of our business places increased strain on our operations.

Our businesses are subject to seasonal fluctuation, with the highest sales activity normally occurring during our fourth fiscal quarter of the year, namely November through January. Additionally, in our entertainment reporting segment, our television audience (and therefore sales revenue) can be significantly impacted by major world or domestic television-covering events which attract viewership and divert audience attention away from our programming. The seasonality of

our businesses places increased strain on our operations. If we do not stock or restock popular products sufficient to meet customer demand, our business would be adversely affected. If we overstock products, we may be required to take significant inventory markdowns or write-offs, which could reduce profitability. We may experience an increase in our net shipping cost due to complimentary upgrades, split-shipments and additional long-zone shipments necessary to ensure timely delivery for the holiday season. Additionally, we may be unable to adequately staff our fulfillment and customer service centers during peak periods, and delivery services and other fulfillment companies and customer service providers may be unable to meet the seasonal demand. The occurrence of any of these factors could have an adverse effect on our business.

Our business, financial condition and results of operations are negatively influenced by adverse economic conditions that impact consumer spending, including inflation and the COVID-19 pandemic.

Our business is sensitive to general economic conditions and business conditions affecting consumer spending including, for example, increased inflation and the COVID-19 pandemic. Our businesses, financial condition and results of operations are negatively influenced by economic conditions that impact consumer spending. If macroeconomic conditions do not continue to improve or if conditions worsen, our business could be adversely affected.

Our results of operations may be adversely impacted by the ongoing COVID-19 pandemic, and the duration and extent to which it will impact our results of operations remains uncertain. Our operations may also be limited or impacted by government monitoring and/or regulation of product sales in connection with the COVID-19 pandemic. The global spread of COVID-19 has created significant volatility and uncertainty and economic disruption. The extent to which the COVID-19 pandemic impacts our business, operations, financial results and financial condition will depend on numerous evolving factors which are uncertain and cannot be predicted, including: the duration and scope of the pandemic; governmental, business and individuals' actions taken in response; the effect on our customers and customers' demand for our services and products; the effect on our suppliers and disruptions to the global supply chain; our ability to sell and provide our services and products, including as a result of travel restrictions and people working from home; disruptions to our operations resulting from the illness of any of our employees, including employees at our fulfillment center; restrictions or disruptions to transportation, including reduced availability of ground or air transport; the ability of our customers to pay for our services and products; and any closures of our and our suppliers' and customers' facilities. We have been experiencing disruptions to our business as we implement modifications to employee travel, employee work locations and cancellation of events, among other modifications. In addition, the impact of COVID-19 on macroeconomic conditions may impact the proper functioning of financial and capital markets, commodity and energy prices, and interest rates. If any of these effects of the COVID-19 pandemic were to worsen, it could result in lost or delayed revenue to us. Even after the COVID-19 pandemic has subsided, we may continue to experience adverse impacts to our business as a result of any economic recession or depression that has occurred or may occur in the future. Our employees have been and could be subject to work-from-home orders and other limitations on our business in the states in which we operate. The restrictions, among other things, require us to operate with only certain employees in-person at our facilities. We have focused on taking necessary steps to keep our employees, contractors, vendors, customers, guests, and their families safe during these uncertain times. These uncertainties could reduce our profitability and impact our results of operations.

Our expansion to international markets subject us to a variety of risks that may harm our business.

As a result of the acquisition of the 1-2-3.tv, our operations have expanded to international markets, including Germany and Austria, which exposes us to significant new risks. 1-2-3.tv operates in Germany and Austria, which requires significant resources and management attention and subjects us to legislative, judicial, accounting, regulatory, economic, and political risks in addition to those we already faced in the United States. These include:

- the need to successfully adapt and localize products and policies for specific countries, including obtaining rights to third-party intellectual property used in each country;
- successfully adapting and localizing products and policies for specific countries, including obtaining rights to third-party intellectual property used in each country;
- complying with compliance with laws such as the Foreign Corrupt Practices Act and other anti-corruption laws, U.S. or foreign export controls and sanctions, and local laws prohibiting improper payments to government officials and requiring the maintenance of accurate books and records and a system of sufficient internal controls;
- complying with increased financial accounting and reporting burdens and complexities;

- inflationary pressures, such as those the global market is currently experiencing, which may increase costs for materials, supplies, and services;
- fluctuations in currency exchange rates and the requirements of currency control regulations, which might restrict or prohibit conversion of other currencies into U.S. dollars;
- challenges and costs associated with staffing and managing foreign operations; and
- unstable political and economic conditions, social unrest or economic instability, whatever the cause, including due to pandemics, natural disasters, wars, terrorist attacks, tariffs, trade disputes, local or global recessions, diplomatic or economic tensions, environmental risks, and security concerns, in general or in a specific country or region in which we operate.
- complying with local laws, regulations, and customs in other jurisdictions; complying with increased financial accounting and reporting burdens and complexities; planning for fluctuations in currency exchange rates and the requirements of currency control regulations, which might restrict or prohibit conversion of other currencies into U.S. dollars; and political or social unrest or economic instability, terrorist attacks and security concerns in general in a specific country or region in which we operate.

The occurrence of any one of these risks could negatively affect our international business and, consequently, our results of operations generally. Additionally, operating in international markets also requires significant management attention and financial resources. We cannot be certain that the investment and additional resources required in establishing, acquiring, or integrating operations in other countries will produce desired levels of revenues or profitability.

Our ValuePay installment payment program could lead to significant unplanned credit losses if our credit loss rate materially deteriorates.

In our entertainment and consumer brands reporting segments, our ValuePay installment payment program could lead to significant unplanned credit losses if our credit loss rate materially deteriorates. We utilize an installment payment program called ValuePay that enables customers to purchase merchandise and pay for the merchandise in two or more monthly installments. Our ValuePay installment program is a key element of our promotional strategy. As of January 29, 2022, we had approximately $47,008 due from customers under the ValuePay installment program. We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. There is no guarantee that we will continue to experience the same credit loss rate that we have in the past or that losses will be within current provisions. A significant increase in our credit losses above what we have been experiencing could result in a material adverse impact on our financial performance.

The majority of customer purchases are paid for by credit or debit cards, including our private label credit card discussed above. Purchases and installment charges made with the ShopHQ private label credit card are non-recourse to us. However, we have credit collection risk from the potential inability to collect future ValuePay installments. Our ValuePay program is an interest-free installment payment program which allows customers to pay by credit card for certain merchandise in two or more equal monthly installments. The percentage of our net sales in which our customers utilized our ValuePay payment program over the past three fiscal years ranged from 50% to 57%. We intend to continue to sell merchandise using the ValuePay program due to its significant promotional value.

Our dependence on a limited number of vendors may impair our ability to operate profitably in the event of an unanticipated loss of such a vendor:

In our entertainment and consumer brands reporting segments, we purchase products from domestic and foreign manufacturers and/or their suppliers and are often able to make purchases on more favorable terms due to the volume of products purchased or sold. Some of our purchasing arrangements with our vendors include inventory terms that allow for return privileges for a portion of the order or stock balancing. We generally do not have long-term commitments with our vendors, and a variety of sources are available for each category of merchandise sold. During fiscal 2021, 2020 and 2019, products purchased from one vendor accounted for approximately 16%, 20% and 19%, respectively, of our consolidated net sales. During fiscal 2021 and fiscal 2020, products purchased from a second vendor accounted for approximately 11% and 14%, respectively, of our consolidated net sales. Both vendors are related parties and additional information is contained in Note 19 – “Related Party Transactions” in the notes to our consolidated financial statements. We believe that we could find alternative products for these vendors’ merchandise assortment if they ceased supplying merchandise; however, the unanticipated loss of any large supplier could negatively impact our sales and earnings.

We rely on a limited number of independent shipping companies to deliver our merchandise. If our independent shipping companies fail to deliver our merchandise in a timely and accurate manner, our reputation and brand may be damaged. If relationships with our independent shipping companies are terminated, we may experience an increase in delivery costs. We rely on a limited number of shipping companies to deliver inventory to us and completed orders to our customers. If we are not able to negotiate acceptable terms with these companies or they experience performance problems or other difficulties, it could negatively impact our operating results and customer experience.

Covenants in our debt agreements restrict our business in many ways.

The Siena Credit Facility contains various representation, warranties and financial and other covenants that limit our ability and/or our subsidiaries' ability to, among other things, incur additional indebtedness or prepay existing indebtedness, to create liens or other encumbrances, to sell or otherwise dispose of assets, to merge or consolidate with other entities, and to make certain restricted payments, including payments of dividends to common shareholders. The financial covenants include a maximum senior leverage ratio and minimum liquidity requirements. Please refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations-Financial Condition, Liquidity and Capital Resources-Sources of Liquidity" below for a discussion of the Siena Credit Facility. Upon the occurrence of an event of default under the Siena Credit Facility, the lender could elect to declare all amounts outstanding under the Siena Credit Facility to be immediately due and payable and terminate all commitments to extend further credit. If we were unable to repay those amounts, the lender could proceed against the collateral granted to them to secure that indebtedness. If the lender and counter parties under the Siena Credit Facility accelerate the repayment of obligations, we may not have sufficient assets to repay such obligations. Our borrowings under the Siena Credit Facility are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness will also increase even though the amount borrowed remains the same, and our net income would decrease.

Our success depends on our continued ability to capture and retain customers in a cost-effective manner.

In our entertainment and consumer brands segments, our success depends on our continued ability to capture and retain customers in a cost-effective manner. In an effort to attract and retain customers, we use considerable funds and resources for various marketing and merchandising initiatives, particularly for the production and distribution of television programming and the updating of our digital strategy to increasingly engage customers through digital channels and social media. These initiatives, however, may not resonate with existing customers or consumers generally or may not be cost-effective. We believe that costs associated with the production and distribution of our television programming and costs associated with digital marketing, including search engine marketing and social media marketing, may increase in the foreseeable future. Moreover, a search engine could, for competitive or other purposes, alter its search algorithms or results causing our website to place lower in search query results. Furthermore, the failure to successfully manage our search engine optimization and search engine marketing strategies could result in a substantial decrease in traffic to our website, as well as increased costs if we were to replace free traffic with paid traffic. Any failure to sustain user traffic or to monetize such traffic could materially adversely affect the financial performance of our business and, as a result, adversely affect our financial results. In addition, customers continue to increase their expectations for faster delivery times with free or reduced shipping prices. Increased delivery costs, particularly if we are unable to offset them by increasing prices without a detrimental effect on customer demand, and the extent to which we offer shipping promotions to our customers, could have an adverse effect on our business, financial condition and results of operations.

Our inability to recruit and retain key employees may adversely impact our ability to sustain growth.

Our growth is contingent, in part, on our ability to retain and recruit employees who have the distinct skills necessary for a business that demands knowledge of the interactive media industry, digital advertising industry, omnichannel retail industry, merchandising and product sourcing, television production, televised and internet-based marketing and direct-to-consumer and retail store fulfillment. In recent years, we have experienced significant senior management turnover and reductions in force as discussed in Note 21 – "Executive and Management Transition Costs" and Note 20 – "Restructuring Costs" in the notes to our consolidated financial statements. The marketplace for such key employees is very competitive and limited. Our growth may be adversely impacted if we are unable to attract and retain key employees. In addition, turnover of senior management can adversely impact our stock price, our results of operations, our vendor relationships and may make recruiting for future management positions more difficult. Further we may incur significant expenses related

to any executive transition costs that may impact our operating results. In fiscal 2021, fiscal 2020 and fiscal 2019 we recorded charges to income of $0, $0 and $2,741, respectively, related to executive and management transition costs incurred, which included severance payments and other incremental expenses.

Any acquisition we make could adversely impact our performance.

From time to time, we may acquire other businesses. An acquisition involves certain inherent risks, including the failure to retain key personnel from an acquired business; undisclosed or subsequently arising liabilities; failure to successfully integrate operations of the acquired business into our existing business, such as new product offerings or information technology systems; failure to generate expected synergies such as cost reductions or revenue gains; and the potential diversion of management resources from existing operations to respond to unforeseen issues arising in the context of the integration of a new business. Additionally, we may incur significant expenses in connection with acquisitions and our overall profitability could be adversely affected if our associated investments and expenses are not justified by the revenues and profits, if any.

Risks Relating to the Products We Market and Sell

We depend on relationships with numerous manufacturers and suppliers for our products and proprietary brands; a decrease in product quality or an increase in product cost, the unanticipated loss of our larger suppliers, or the lack of customer receptivity or brand acceptance to our proprietary brands could impact our sales.

We procure merchandise from numerous manufacturers and suppliers generally pursuant to short-term contracts and purchase orders. We depend on the ability of these parties to timely produce and deliver goods that meet applicable quality standards, which is impacted by a number of factors not within the control of these parties, such as political or financial instability, trade restrictions, tariffs, currency exchange rates, and transport capacity and costs, among others, and to deliver products that meet or exceed our customers' expectations.

Our failure to identify new vendors and manufacturers, maintain relationships with a significant number of existing vendors and manufacturers and/or access quality merchandise in a timely and efficient manner could cause us to miss customer delivery dates or delay scheduled promotions, which could result in the failure to meet customer expectations and could cause customers to cancel orders or cause us to be unable to source merchandise in sufficient quantities, which could result in lost sales.

It is possible that one or more of our significant brands or vendors could experience financial difficulties and be unable to supply us their product. In addition, the unanticipated loss of one or a number of our significant brands or vendors, could materially and adversely impact our sales and profitability.

Our efforts to accelerate the development of proprietary brands may require working capital investments for the development and promotion of new brands and concepts. In addition, factors such as minimum purchase quantities and reduced merchandise return rights, typically associated with the purchasing of products associated with proprietary brands, can lead to excess on-hand inventory if sales of these brands do not meet our expectations due to a lack of customer receptivity or brand acceptance. Our ability to successfully offer a wider assortment of proprietary merchandise may also be adversely impacted if any of the risks mentioned above related to our manufacturers and suppliers materialize.

If we do not manage our inventory effectively, our sales, gross profit and profitability could be adversely affected. If we do not identify and respond to emerging trends in consumer spending and preferences quickly enough, we may harm our ability to retain our existing customers or attract new customers. If we purchase too much inventory, we may be forced to sell our merchandise at lower average margins through increased markdowns, which could adversely affect our results of operations, our overall gross margins and our profitability.

We may be subject to product liability claims if people or properties are harmed by products sold or developed by us, or we may be subject to voluntary or involuntary product recalls, or subject to liability for on-air statements made by our hosts or guest-hosts.

Products sold or developed by us may expose us to product liability or product safety claims relating to personal injury, death or property damage caused by such products and may require us to take actions such as product recalls, which could involve significant expense incurred by us.

We maintain and have generally required the manufacturers and vendors of these products to carry product liability and errors and omissions insurance. We also require that our vendors fully indemnify us for such claims. There can be no assurance that we will maintain this insurance coverage or obtain additional coverage on acceptable terms, or that this insurance will provide adequate coverage against all potential claims or even be available with respect to any particular claim. There also can be no assurance that our suppliers will continue to maintain this insurance or that this coverage will be adequate or available with respect to any particular claims or will fulfill their contractual indemnification duties. Product liability claims could result in a material adverse impact on our financial performance.

We may also be subject to involuntary product recalls, or we may voluntarily conduct a product recall. The costs associated with product recalls individually or in the aggregate in any given fiscal year, or for any particular recall event, could be significant. Although we maintain product recall insurance, and we require that our vendors fully indemnify us for such events, an involuntary product recall could result in a material adverse impact on our financial performance. In addition, any product recall, regardless of direct costs of the recall, may harm consumer perceptions of our products and have a negative impact on our future revenues and results of operations.

In addition, the live unscripted nature of our television broadcasting may subject us to misrepresentation or false advertising claims by our customers, the Federal Trade Commission and state attorneys general. We are subject to two FTC consent decrees, one issued in 2001 and one issued in 2003; both have a duration of 20 years. They consist of claims involving recordkeeping, compliance policies, and attention to detail on claim substantiation. Violations of these decrees could result in significant civil fines and penalties.

Risks Relating to Television Viewership Trends, Technologies & Costs

Changes in technology and in consumer viewing patterns may negatively impact our video content viewing and could result in a decrease in revenue.

As a multiplatform interactive video service, we are dependent on our ability to attract and retain viewers and must successfully adapt to technological advances in the media entertainment industry, including the emergence of alternative distribution platforms, such as digital video recorders, video-on-demand and subscription video-on-demand (*e.g.*, Netflix, Hulu, Amazon Prime). New technologies affect the manner in which our programming is distributed to consumers, the sources and nature of competing content offerings, and the time and manner in which consumers view our programming. This trend has impacted the traditional forms of distribution, as evidenced by the industry-wide decline in ratings for broadcast television, the development of alternative distribution channels for broadcast and cable programming and declines in cable and satellite subscriber levels across the industry. In order to respond to these developments, we have developed a multiplatform distribution approach, including delivering our content over various streaming applications such as Roku and Apple TV and distribution through social media platforms. However, there can be no assurance that we will successfully respond to these changes which could result in a loss of viewership and a decrease in revenue.

The failure to secure suitable placement for our television programming could adversely affect our ability to attract and retain television viewers and could result in a decrease in revenue.

We are dependent upon our ability to compete for television viewers. Effectively competing for television viewers is dependent, in part, on our ability to secure placement of our television programming within a suitable programming tier at a desirable channel position or format. The majority of multi-video programming distributors now offer programming on a digital basis, which has resulted in increased channel capacity.

In the entertainment reporting segment, we generally operate under distribution agreements with cable operators, direct-to-home satellite providers and telecommunications companies to distribute our television programming over their systems. The terms of the distribution agreements typically range from one to five years. During any fiscal year, certain agreements with cable, satellite or other distributors may or have expired. Under certain circumstances, we or our distributors may cancel the agreements prior to their expiration. Additionally, we may elect not to renew distribution agreements whose terms result in sub-standard or negative contribution margins. The distribution agreements generally provide that we will pay each operator a monthly access fee, based on the number of homes receiving our programming, and in some cases marketing support payments. We frequently review distribution opportunities with cable system operators and broadcast stations providing for full- or part-time carriage of our programming. We believe that our major competitors to our entertainment brands leverage their economies of scale to incur cable and satellite distribution fees

representing a significantly lower percentage of their sales attributable to their television programming than we do, and that their fee arrangements are substantially on a commission basis (in some cases with minimum guarantees) rather than on the predominantly fixed-cost basis that we currently have. At our current sales level, our distribution costs as a percentage of total consolidated net sales are higher than those of our competition. However, we can leverage this fixed expense with sales growth to accelerate improvement in our profitability. We may not be able to expand or could lose some of our existing programming distribution if we cannot negotiate profitable distribution agreements.

We may not be able to maintain our satellite services in certain situations beyond our control, which may cause our programming to go off the air for a period of time and cause us to incur substantial additional costs.

Our programming is presently distributed to cable systems, television stations and satellite dish operators via a leased communications satellite transponder. Satellite service may be interrupted due to a variety of circumstances beyond our control, such as satellite transponder failure, satellite fuel depletion, governmental action, preemption by the satellite service provider, solar activity and service failure. Our satellite transponder agreement provides us with preemptible back-up service if satellite transmission is interrupted under certain conditions. In the event of a serious transmission interruption where back-up service is not available, we may need to enter into new arrangements, resulting in substantial additional costs and the inability to broadcast our signal for some period of time.

A natural disaster or significant weather event could seriously impact our ability to operate, including our ability to broadcast, operate websites, process and fulfill transactions, respond to customer inquiries and generally maintain cost-efficient operations.

Our television broadcast studios, internet operations, IT systems, merchandising team, inventory control systems, executive offices, and finance/accounting functions, among others, are in our adjacent offices at 6740 and 6690, Shady Oak Road in Eden Prairie, Minnesota. In addition, our only fulfillment and distribution facility is centralized at a location in Bowling Green, Kentucky. Fire, flood, severe weather, power loss, telecommunications failure, hurricanes, tornadoes, earthquakes, acts of war or terrorism, acts of God and similar events or disruptions may damage or interrupt our broadcast, computer, broadband or other communications systems and infrastructures, including the distribution of our network to our customers, at any time. While we have certain business continuity plans in place, no assurances can be given as to how quickly we would be able to resume operations and how long it may take to return to normal operations. We could incur substantial financial losses above and beyond what may be covered by applicable insurance policies, and may experience a loss of sales, customers, vendors and employees during the recovery period.

A natural disaster or significant weather event could materially interfere with our customers' ability to receive our broadcast or reach us to purchase our products and services.

Our operations rely on our customers' access to third party content distribution networks, communications providers and utilities like cable, satellite and OTT television services, as well as internet, telephone and power utilities. A natural disaster or significant weather event could make one or more of these third-party services unavailable to our customers and could lead to the deferral or loss of sales of our goods and services.

Risks Related to Digital Advertising

We rely on integrations with demand- and supply-side advertising platforms, ad servers and social platforms. A decrease in demand for advertising and public criticism of digital advertising technology in the U.S. and internationally could adversely affect the demand for and use of our solutions.

Our business depends, in part, on the demand for digital advertising technology. The digital advertising industry has been and may in the future be subject to reputational harm, negative media attention and public complaint relating to, among other things, the alleged lack of transparency and anti-competitive behavior among advertising technology companies. This public criticism could result in increased data privacy and anti-trust regulation in the digital advertising industry in the U.S. and internationally. In addition, our services are delivered in web browsers, mobile apps and other software environments where online advertising is displayed, and certain of these environments have announced future plans to phase out or end the use of cookies and other third-party tracking technology on their operating systems in order to provide more consumer data privacy. While our technology and solutions do not rely on

persistent identifiers or cookie-based or cross-site tracking, these changes and other updates to software functionality in these environments could hurt our ability to effectively deliver our services.

We may not be able to accurately predict changes in overall advertiser demand for the channels in which it operates and cannot assure that our investment in formats will correspond to any such changes. Advertisers may change the fees they charge users or otherwise change their business model in a manner that slows the widespread acceptance of advertisements. In order for our services to be successful, there must be a large base of advertisers to deliver content. We have limited or no control over the availability or acceptance of those advertisements, and any change in the licensing terms, costs, availability or user acceptance of these advertisements could adversely affect our business. Any decrease in the use of mobile, display, and video advertising, whether due to customers losing confidence in the value or effectiveness of such channels, regulatory restrictions, public criticism or other causes, or any inability to further penetrate CTV or enter new and emerging advertising channels, could adversely affect our business, results of operations, and financial condition. Any change or decrease in the demand for digital advertising, including on social media platforms as a result of avoidance campaigns or similar events, may negatively affect the demand for and use of our solutions. If our customers significantly reduce or eliminate their digital ad spend in response to the public criticism of the digital advertising industry or its related effects, our business, financial condition and results of operations could be adversely affected.

Risks Related to Our Securities

Our stock price has been volatile, and continued volatility could adversely affect our ability to raise additional capital and/or cause us to be subject to securities class action litigation.

Most recently, on April 21, 2022, the market price of our common stock, as reported on The Nasdaq Capital Market, closed at a price of $4.38 per share. The prices at which our common stock is quoted and the prices which investors may realize will be influenced by several factors, some specific to our company and operations and some that may affect our sector or public companies generally. Our progress in developing and commercializing our products, our quarterly operating results, announcements of new products by us or our competitors, our perceived prospects, changes in securities' analysts' recommendations or earnings estimates, changes in general conditions in the economy or the financial markets, adverse events related to our strategic relationships, significant sales of our common stock by existing stockholders and other developments affecting us or our competitors could cause the market price of our common stock to fluctuate substantially. In addition, in recent years, including the first half of 2020, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market prices of securities issued by many companies for reasons unrelated to their operating performance. These market fluctuations, regardless of the cause, may materially and adversely affect our stock price, regardless of our operating results. In addition, we may be subject to securities class action litigation as a result of volatility in the price of our common stock, which could result in substantial costs and diversion of management's attention and resources and could harm our stock price, business, prospects, results of operations and financial condition.

There can be no assurance that we will be able to comply with the continued listing standards of The Nasdaq Capital Market and we could be delisted.

Even though our common stock is listed on The Nasdaq Capital Market, we cannot assure you that we will be able to comply with standards necessary to maintain a listing of our common stock on The Nasdaq Capital Market. Our failure to meet the continuing listing requirements may result in our common stock being delisted from The Nasdaq Capital Market.

Our business could be negatively affected as a result of the actions of activist or hostile shareholders.

Our business could be negatively affected as a result of shareholder activism, which could cause us to incur significant expense, hinder execution of our business strategy, and impact the trading value of our securities. Shareholder activism, which could take many forms or arise in a variety of situations, has been increasing in publicly traded companies in recent years and we are subject to the risks associated with such activism. In 2014, we were the subject of a proxy contest. Shareholder activism, including potential proxy contests, requires significant time and attention by management and the board of directors, potentially interfering with our ability to execute our strategic plan. Additionally, such shareholder activism could give rise to perceived uncertainties as to our future direction, adversely affect our relationships with key executives and business partners and make it more difficult to attract and retain qualified personnel. Also, we may be

required to incur significant legal fees and other expenses related to activist shareholder matters. Any of these impacts could materially and adversely affect our business and operating results. Further, the market price of our common stock could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties described in this "Risk Factors" section.

It may be difficult for a third party to acquire us, even if doing so may be beneficial to our shareholders.

We adopted a Shareholder Rights Plan to preserve the value of certain deferred tax benefits, including those generated by net operating losses, as described further under Part II, Item 5 below. The Shareholder Rights Plan may have anti-takeover effects. The provisions of the Shareholder Rights Plan could have the effect of delaying, deferring, or preventing a change of control of us and could discourage bids for our common stock at a premium over the market price of our common stock.

Risks Related to Regulation

Trade policies, tariffs, tax or other government regulations that increase the effective price of products manufactured in other countries and imported into the United States could have a material adverse effect on our business.

A material percentage of the products that we offer on our television programming and our e-commerce websites are imported by us or our vendors, from other countries. Uncertainty with respect to trade policies, tariffs, tax and government regulations affecting trade between the United States and other countries has increased. Many of our vendors source a large percentage of the products we sell from other countries. Major developments in trade relations, such as the imposition of tariffs on imported products, could have a material adverse effect on our financial results and business.

We may be subject to claims by consumers and state and federal authorities for security breaches involving customer information, which could materially harm our reputation and business or add significant administrative and compliance cost to our operations.

In order to operate our business, which includes multiple retail channels, we take orders for our products from customers. This requires us to obtain personal information from these customers including, but not limited to, credit card numbers. Although we take reasonable and appropriate security measures to protect customer information, there is still the risk that external or internal security breaches or digital or telecommunications spoofing could occur, including cyber incidents. In addition, new tools and discoveries by third parties in computer or communications technology or software or other developments may facilitate or result in a future compromise of consumer information under applicable law or breach of our computer systems. Such compromises or breaches could result in consumer harm or risk of harm, data loss and/or identity theft leading to significant liability or costs to us from notification requirements, lawsuits brought by consumers, shareholders or other businesses seeking monetary redress, state and federal authorities for fines and penalties, and could also lead to interruptions in our operations and negative publicity causing damage to our reputation and limiting customers' willingness to purchase products from us. Businesses in the retail industry have experienced material sales declines after discovering data breaches, and our business could be similarly impacted by cyber incidents. Reputational value is based in large part on perceptions of subjective qualities. While reputations may take decades to build, a significant negative incident can erode trust and confidence, particularly if it results in adverse mainstream and social media publicity, governmental investigations or litigation. Theft of credit card numbers of consumers could result in significant fines and consumer settlement costs, litigation costs, FTC audit requirements, and significant internal administrative costs.

Various federal, state, and foreign laws and regulations as well as industry standards and contractual obligations govern the collection, use, retention, protection, disclosure, cross-border transfer, localization, sharing, and security of the data we receive from and about our users, employees, and other individuals. The regulatory environment for the collection and use of personal information by device manufacturers, online service providers, content distributors, advertisers, and publishers is evolving in the United States and internationally. Privacy and consumer rights groups and government bodies (including the U.S. Federal Trade Commission ("FTC"), state attorneys general, the European Commission, and European data protection authorities), have increasingly scrutinized privacy issues with respect to devices that identify or are identifiable to a person (or household or device) and personal information collected through the internet, and we expect such scrutiny to continue to increase. The U.S. federal government, U.S. states, and foreign governments have enacted (or are considering) laws and regulations that could significantly restrict industry participants' ability to collect, use, and share

personal information, such as by regulating the level of consumer notice and consent required before a company can place cookies or other tracking technologies. For example, the EU General Data Protection Regulation ("GDPR") imposes detailed requirements related to the collection, storage, and use of personal information related to people located in the EU (or which is processed in the context of EU operations) and places new data protection obligations and restrictions on organizations and may require us to make further changes to our policies and procedures in the future beyond what we have already done.

We made changes to our data protection compliance program to prepare for the GDPR and will continue to monitor the implementation and evolution of data protection regulations, but if we are not compliant with GDPR or other data protection laws or regulations if and when implemented, we may be subject to significant fines and penalties (such as restrictions on personal information processing) and our business may be harmed. For example, under the GDPR, fines of up to 4% of the annual global revenue of a noncompliant company, as well as data processing restrictions, could be imposed for violation of certain of the GDPR's requirements. Data protection laws continue to proliferate throughout the world and such laws likely apply to our business.

In addition to possible claims for security breaches involving customer information, the secure processing, maintenance and transmission of customer information is critical to our operations and business strategy, and we devote significant resources to protect our customer information. The expenses associated with complying with a patchwork of state laws imposing differing security requirements depending on the residence of our customers could reduce our operating margins. As mentioned above, there have been continuing efforts to increase the legal and regulatory obligations and restrictions on companies conducting commerce, primarily in the areas of taxation, consumer privacy and protection of consumer personal information, and we may have to devote significant resources to information security.

Nearly all of our sales are paid for by customers using credit or debit cards and the increasingly heightened Payment Card Industry ("PCI") standards regarding the storage and security of customer information could potentially impact our ability to accept card brands.

Nearly all of our customers pay for purchases via a credit or debit card. Credit and debit card payment organizations continue to heighten PCI standards that are applicable to all merchants who accept these cards. These standards primarily pertain to the processes and procedures for encrypted use and secure storage of customer data. By virtue of the volume of our overall credit card transactions, we are a Level 1 merchant which requires the annual completion of a formal Report of Compliance ("ROC") by a Qualified Security Assessor. Failure to comply with PCI standards, as required by card issuers, could result in card brand fines and/or the possible inability for us to accept a card brand. Our inability to accept one or all card brands could materially adversely affect sales. Although we received an approved ROC on July 31, 2020, there is no guarantee that we will continue to receive such approvals.

Technology and Intellectual Property Risks

We significantly rely on technology and information management tools and operational applications to run our existing businesses, the failure of which could adversely impact our operations.

Our businesses are dependent, in part, on the use of sophisticated technology, some of which is provided to us by third parties. These technologies include, but are not necessarily limited to, satellite based transmission of our programming, use of the internet and other mobile commerce devices in relation to our on-line business, new digital technology used to manage and supplement our television broadcast operations, the age of our legacy operational applications to distribute product to our customers and a network of complex computer hardware and software to manage an ever increasing need for information and information management tools. The failure of any of these legacy systems or operational infrastructure elements, technologies, or our inability to have this technology supported, updated, expanded or integrated into new business processes or other technologies, could adversely impact our operations. Although we have developed alternative sources of technology and built redundancy into our computer networks and tools, there can be no assurance that these efforts to date would protect us against all potential issues or disaster occurrences related to the loss of any such technologies or their use. Further, we may face challenges in keeping pace with rapid technological changes and adopting new products or platforms and migrating to new systems.

We may fail to adequately protect our intellectual property rights or may be accused of infringing upon the intellectual property rights of third parties.

We regard our intellectual property rights, including patents, service marks, trademarks and domain names, copyrights and trade secrets, as critical to our success. We rely heavily upon software, databases and other systemic components that are necessary to manage and support our business operations, many of which utilize or incorporate third party products, services or technologies. In addition, we license intellectual property rights in connection with the various products and services we offer to consumers. As a result, we are subject to legal proceedings and claims in the ordinary course of business, including claims of alleged infringement of the trademarks, copyrights, patents and other intellectual property rights of third parties. In addition, litigation may be necessary to enforce our intellectual property rights, protect trade secrets or to determine the validity and scope of proprietary rights claimed by others. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect our business, financial condition and results of operations. Patent litigation tends to be particularly protracted and expensive. Our failure to protect our intellectual property rights in a meaningful manner or challenges to third party intellectual property we utilize or that is related to our contractual rights could result in erosion of brand names; limit our ability to control marketing on or through the internet using our various domain names; limit our useful technologies; disrupt normal business operations or result in unanticipated costs, which could adversely affect our business, financial condition and results of operations.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

We own a facility of approximately 209,000 square feet and the related land in Eden Prairie, Minnesota that serves as our global corporate headquarters and includes television studios, broadcast facilities, and call center operations. We own a distribution facility of approximately 600,000 square feet in Bowling Green, Kentucky, which serves as our primary fulfillment center. Our owned facilities in Eden Prairie, Minnesota and Bowling Green, Kentucky are currently pledged as collateral under our GreenLake Credit Facility. In addition, we lease office facilities in New York, Florida and Ottawa, Canada. We lease four facilities in Germany, two television studios, one office location and one location used for sample storage.

We believe that our existing facilities are adequate to meet our current needs and that suitable additional alternative space will be available as needed to accommodate expansion of operations.

The consumer brand segment comprises of operations in retail locations that range from 900 to 7,000 square feet and is summarized for each state as follows:

	Retail Locations	
State	Owned	Leased
Indiana	—	1
Minnesota	—	3
Missouri	—	1
Ohio	—	1
Pennsylvania	—	1

Item 3. Legal Proceedings

We are involved from time to time in various claims and lawsuits in the ordinary course of business, including claims related to products, product warranties, contracts, employment, intellectual property, consumer protection and regulatory matters. In the opinion of management, none of the claims and suits, either individually or in the aggregate, are reasonably likely to have a material adverse effect on our operations or consolidated financial statements.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

Market Information for Common Stock

Our common stock is traded on the Nasdaq Capital Market under the symbol "IMBI."

Holders

As of April 21, 2022, we had approximately 680 active registered shareholders of record and 5,942 common shareholders of record.

Dividends

We have never declared or paid any dividends with respect to our common stock. Any future determination by us to pay cash dividends on our common stock will be at the discretion of our board of directors and will be dependent upon our results of operations, financial condition, any contractual restrictions then existing and other factors deemed relevant at the time by the board of directors. We currently expect to retain our earnings for the development and expansion of our business and do not anticipate paying cash dividends on the common stock in the foreseeable future.

We are restricted from paying dividends on our common stock by the Siena Credit Facility, as discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations – Sources of Liquidity."

Issuer Purchases of Equity Securities

There were no authorizations for repurchase programs or repurchases made by or on behalf of us or any affiliated purchaser for shares of any class of our equity securities in any fiscal month within the fourth quarter of fiscal 2021.

Sale of Unregistered Securities

During the past three years, we did not sell any equity securities that were not registered under the Securities Act, that were not previously reported in a quarterly report on Form 10-Q or in a current report on Form 8-K.

Shareholder Rights Plan

During fiscal 2015, we adopted a Shareholder Rights Plan to preserve the value of certain deferred tax benefits, including those generated by net operating losses. On July 10, 2015, we declared a dividend distribution of one purchase right (a "Right") for each outstanding share of our common stock to shareholders of record as of the close of business on July 23, 2015 and issuable as of that date. On July 13, 2015, we entered into a Shareholder Rights Plan (the "Rights Plan") with Wells Fargo Bank, N.A., a national banking association, with respect to the Rights. Except in certain circumstances set forth in the Rights Plan, each Right entitles the holder to purchase from us one one-thousandth of a share of Series A Junior Participating Cumulative Preferred Stock, $0.01 par value, ("Preferred Stock" and each one one-thousandth of a share of Preferred Stock, a "Unit") at a price of $90.00 per Unit.

The Rights initially trade together with the common stock and are not exercisable. Subject to certain exceptions specified in the Rights Plan, the Rights will separate from the common stock and become exercisable following (i) the tenth calendar day after a public announcement or filing that a person or group has become an "Acquiring Person," which is defined as a person who has acquired, or obtained the right to acquire, beneficial ownership of 4.99% or more of the common stock then outstanding, subject to certain exceptions, or (ii) the tenth calendar day (or such later date as may be determined by the board of directors) after any person or group commences a tender or exchange offer, the consummation of which would result in a person or group becoming an Acquiring Person. If a person or group becomes an Acquiring Person, each Right will entitle its holders (other than such Acquiring Person) to purchase one Unit at a price of $90.00 per

Unit. A Unit is intended to give the shareholder approximately the same dividend, voting and liquidation rights as would one share of common stock, and should approximate the value of one share of common stock. At any time after a person becomes an Acquiring Person, the board of directors may exchange all or part of the outstanding Rights (other than those held by an Acquiring Person) for shares of common stock at an exchange rate of one share of common stock (and, in certain circumstances, a Unit) for each Right. We will promptly give public notice of any exchange (although failure to give notice will not affect the validity of the exchange).

On July 12, 2019, our shareholders re-approved the Rights Plan at the 2019 annual meeting of shareholders. The Rights will expire upon certain events described in the Rights Plan, including the close of business on the date of the third annual meeting of shareholders following the last annual meeting of our shareholders of at which the Rights Plan was most recently approved by shareholders, unless the Rights Plan is re-approved by shareholders at that third annual meeting of shareholders. However, in no event will the Rights Plan expire later than the close of business on July 13, 2025.

Until the close of business on the tenth calendar day after the day a public announcement or a filing is made indicating that a person or group has become an Acquiring Person, we may in our sole and absolute discretion amend the Rights or the Rights Plan agreement without the approval of any holders of the Rights or shares of common stock in any manner, including without limitation, amendments that increase or decrease the purchase price or redemption price or accelerate or extend the final expiration date or the period in which the Rights may be redeemed. We may also amend the Rights Plan after the close of business on the tenth calendar day after the day such public announcement or filing is made to cure ambiguities, to correct defective or inconsistent provisions, to shorten or lengthen time periods under the Rights Plan or in any other manner that does not adversely affect the interests of holders of the Rights. No amendment of the Rights Plan may extend its expiration date.

The foregoing summary of the Rights Plan does not purport to be complete and is qualified by reference to the full text of the Rights Plan agreement, which has been filed as Exhibit 4.2 to this Annual Report on Form 10-K and is incorporated herein by reference.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations. (Dollars in thousands)

Introduction

The following discussion and analysis of financial condition and results of operations is qualified by reference to and should be read in conjunction with our audited consolidated financial statements and notes thereto included elsewhere in this annual report on Form 10-K. This annual report on Form 10-K, including the following Management's Discussion and Analysis of Financial Condition and Results of Operations, may contain certain "forward-looking" information within the meaning of the Private Securities Litigation Reform Act of 1995. This information involves risks and uncertainties. Our actual results may differ materially from the results discussed in the forward-looking statements.

Overview

Our Company

We are a leading interactive media company capitalizing on the convergence of entertainment, ecommerce, and advertising. We own a growing, global portfolio of entertainment, consumer brands and media commerce services businesses that cross promote and exchange data with each other to optimize the engagement experiences we create for advertisers and consumers. Our growth strategy revolves around our ability to increase our expertise and scale using interactive video and first-party data to engage customers within multiple business models and multiple sales channels. We believe our growth strategy builds on our core strengths and provides an advantage in these marketplaces.

During fiscal 2021, we began reporting based on three reportable segments:

- Entertainment, which is comprised of our television networks, ShopHQ, ShopBulldogTV, ShopHQHealth, ShopJewelryHQ and 1-2-3.tv.
- Consumer Brands, which is comprised of Christopher & Banks ("C&B"), J.W. Hulme Company ("JW"), Cooking with Shaquille O'Neal ("Shaq"), OurGalleria.com and TheCloseout.com ("TCO").
- Media Commerce Services, which is comprised of iMedia Digital Services ("iMDS"), Float Left ("FL") and i3PL.

The corresponding current and prior period segment disclosures have been recast to reflect the current segment presentation.

Results of Operations – iMedia Consolidated

The following table sets forth, for the periods indicated, certain statement of operations data.

	Fiscal Year Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Net sales	$ 551,134	$ 454,171	$ 501,822
Gross margin	222,616	167,053	163,637
Operating expenses:			
Distribution and selling	158,512	129,920	170,587
General and administrative	38,589	20,336	25,611
Depreciation and amortization	35,606	24,022	8,057
Restructuring costs	634	715	9,166
Executive and management transition costs	—	—	2,741
Total operating expenses	233,341	174,993	216,162
Operating loss	(10,725)	(7,940)	(52,525)
Interest expense, net	(11,528)	(5,234)	(3,760)
Loss on debt extinguishment	(663)	—	—
Loss before income taxes	(22,916)	(13,174)	(56,285)
Income tax provision	(110)	(60)	(11)
Net loss	$ (23,026)	$ (13,234)	$ (56,296)

Consolidated Net Sales

Consolidated net sales during fiscal 2021 were $551,134 compared to $454,171 during fiscal 2020, a 21.3% increase. Consolidated net sales during fiscal 2020 were $454,171 compared to $501,822 during fiscal 2019, a 9.5% decrease. The increase in consolidated net sales in 2021 was primarily due to the incremental net sales from the completed 2021 acquisitions of Christopher & Banks, Synacor, 1-2-3.tv, and TCO, and the improved performance of the entertainment segment. For 2020, the $47,651 or 9.5% decrease in net sales was primarily due to our priority to increase our gross margin by decreasing net sales of merchandise categories with lower gross margin rates, such as consumer electronics.

Gross Margin

Consolidated gross margin percentages were 40.4%, 36.8% and 32.6% for 2021, 2020 and 2019, respectively. For 2021, the 361-basis point improvement was primarily attributable to the entertainment segment's intentional increase in the percentage of sales from merchandise categories with higher margin rates, such as jewelry and watches, fashion and beauty. Our consolidated gross margin percentage was further improved in 2021 due to the impact from the completed 2021 acquisition of Christopher & Banks in the consumer brands segment. The consumer brands segment had a gross margin percentage of 49.5% for 2021 and contributed 9.9% of total gross margin in 2021 compared to 0.5% of total gross margin in 2020. For 2020, the 417-basis point increase was also primarily attributable to the entertainment segment's gross margin increases due to strategic promotional and pricing initiatives.

Total Operating Expenses

Total operating expenses were $233,341, $174,993 and $216,162 for fiscal 2021, fiscal 2020 and fiscal 2019, respectively, representing an increase of $58,348 or 33% from fiscal 2020 to fiscal 2021, and a decrease of $41,169 or 19.0% from fiscal 2019 to fiscal 2020. Total operating expenses as a percentage of net sales were 42.3%, 38.5% and 43.1% for fiscal 2021, fiscal 2020 and fiscal 2019, respectively. For 2021, the increase in operating expenses is primarily due to the incremental operating expenses generated from the completed 2021 acquisitions of 1-2-3.tv, Synacor's Portal and Advertising Business, Christopher & Banks, and TCO. These incremental operating costs from these acquisitions accounted for approximately 60% of the consolidated increase in total operating expenses. Additionally, in 2021 we incurred $6,974 of one-time transaction and transition costs associated with the 2021 acquisitions. Operating expenses also increased as a result of increased variable distribution and selling expenses and general and administrative expenses in the entertainment segment. Restructuring cost for 2021 were $634. For 2020, the decrease in operating expenses of $41,169 is due to the decline in distribution and selling expenses and lower general and administrative expenses.

Distribution and selling

Distribution and selling expense for fiscal 2021 increased $28,592, or 22.0%, to $158,512 or 28.8% of net sales compared to $129,920 or 28.6% of net sales in fiscal 2020. Approximately 70%, or $19,690, of the distribution and selling expense increase during fiscal 2021 is attributable to incremental distribution and selling expenses of the acquisitions of 1-2-3.tv, Synacor's Portal and Advertising Business, Christopher & Banks, and TCO completed in 2021, and by the entertainment segment's increased program distribution costs of $3,090. For 2020, the $40,667 decrease in distribution and selling expenses was primarily due to the entertainment segment's decreased program distribution expenses, payroll and benefits, digital marketing expenses and other selling expenses.

General and administrative

General and administrative expense was $38,589, $20,336 and $25,611 for fiscal 2021, fiscal 2020 and fiscal 2019, respectively, representing an increase of $18,253 or 89.8% from fiscal 2020 to fiscal 2021, and a decrease of $5,275 or 20.6% from fiscal 2019 to fiscal 2020. General and administrative expenses as a percentage of net sales were 7.0%, 4.5% and 5.1% for fiscal 2021, fiscal 2020 and fiscal 2019. For 2021, approximately 61%, or $11,129, of the $18,253 increase in general and administrative expense was due to the incremental general and administrative expenses generated from the acquisitions completed in 2021, plus $6,974 in one-time transaction and transition costs associated with these acquisitions. For 2020, the $5,275 decrease in general and administrative expenses was primarily due to decreased payroll and benefits, reduced share-based compensation and other general expenses.

Depreciation and amortization

Depreciation and amortization expense was $35,606, $24,022 and $8,057 for fiscal 2021, fiscal 2020 and fiscal 2019, respectively, representing an increase of $11,584 from fiscal 2020 to fiscal 2021, and an increase of $15,965 or 198.2% from fiscal 2019 to fiscal 2020. Depreciation and amortization as a percentage of net sales was 6.5%, 5.3% and 1.6% for fiscal 2021, fiscal 2020 and fiscal 2019, respectively. For 2021, the $11,584 increase in depreciation and amortization was primarily due to the entertainment segment's increased broadcast rights amortization expense and the incremental depreciation and amortization expenses generated from the four acquisitions completed in 2021, including 1-2-3.tv, Synacor's Portal and Advertising Business, Christopher & Banks, and TCO. For 2020, the $15,965 increase in depreciation and amortization expenses was primarily related to increased broadcast rights amortization expense.

Restructuring costs

Restructuring costs were $634, $715 and $9,166 for fiscal 2021, fiscal 2020 and fiscal 2019, respectively, representing a decrease of $81 or 11.3% from fiscal 2020 to fiscal 2021 and a decrease of $8,451 or 92.2% from fiscal 2019 to fiscal 2020. These costs in 2021, 2020, and 2019 were all related to our continued organizational optimization of our staffing, policies, and procedures that collectively work together to improve the velocity, quality, and decentralization of decision-making in the organization, to reduce the duplication of organizational effort, and to reduce costs. Fiscal 2019 represented the largest number and most financially impactful of these, which resulted in the most significant restructuring costs.

Interest expense, net

Interest expense, net was $11,528, $5,234 and $3,760 for fiscal 2021, fiscal 2020 and fiscal 2019, respectively, representing an increase of $6,294 or 120.3% from fiscal 2020 to fiscal 2021 and an increase of $1,474 or 39.2% from fiscal 2019 to fiscal 2020. For 2021, the increase in net interest expense was primarily related to the $2,712 of interest expense on the $80,000 in 8.50% Senior Unsecured Bonds issued to finance the acquisition of 1-2-3.tv in 2021. In addition, we incurred higher interest expense in fiscal 2021 resulting from higher broadcast rights liabilities and higher average senior borrowings under the Siena and GreenLake credit facilities, respectively. For 2020, the increase in net interest expense was primarily related to television broadcast rights liabilities.

Effect of foreign exchange rates

In November of 2021, we acquired a foreign subsidiary, 1-2-3.tv, which reports its financial information in Euros. For the year ended January 29, 2022, we recognized foreign translation adjustments of ($2,428), which is part of other comprehensive income. Below is a summary of changes in foreign exchange rates for fiscal 2021 and 2020:

	January 29, 2022	January 30, 2021	February 1, 2020
Foreign Exchange Rate (USD / Euro) - Closing	$ 1.115	$ 1.210	$ 1.103
% Change from prior year	(7.9)%	9.7 %	

The average exchange rate was $1.176 for the year ended January 29, 2022 and $1.151 for the year ended January 30, 2021. Below is a summary of the potential effect of changes in foreign exchange rates on our pro forma financial information for the year ended January 29, 2022 if we had acquired 1-2-3.tv as of the beginning of the fiscal year:

	2021 Pro Forma	Effect of Foreign Exchange Rates	2021 Pro Forma at 2020 Rates
Net sales	$ 689,888	$ (3,916)	$ 685,972
Net income (loss)	(26,776)	32	(26,744)

Income tax provision

Our effective tax rate was (0.5)%, (0.5)% and 0.0%, for years ended January 29, 2022, January 30, 2021 and February 1, 2020. We have not recorded any income tax benefit on the losses recorded during fiscal 2021, 2020 or 2019 due to the uncertainty of realizing income tax benefits in the future as indicated by our recording of an income tax valuation allowance. We will continue to maintain a valuation allowance against our net deferred tax assets, including those related to net operating loss carryforwards, until we believe it is more likely than not that these assets will be realized in the future.

Net Loss Attributable to Shareholders

We had net losses attributable to shareholders of $22,008, $13,234, and $56,296 for the years ended January 29, 2022, January 30, 2021 and February 1, 2020. The change in net loss attributable to shareholders was a result of the above-described fluctuations in our net sales and expenses.

Adjusted EBITDA Reconciliation

To provide investors with additional information regarding our financial results, we also disclose Adjusted EBITDA (as defined below). Adjusted EBITDA was $41,647, $23,913, and ($18,391) for the years ended January 29, 2022, January 30, 2021 and February 1, 2020.

The following table provides a reconciliation of the net loss attributable to shareholders to Adjusted EBITDA:

	For the Fiscal Years Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Net loss attributable to shareholders	$ (22,008)	$ (13,234)	$ (56,296)
Adjustments:			
Depreciation and amortization (a)	39,361	27,978	12,014
Interest income	(199)	(3)	(17)
Interest expense	11,727	5,237	3,777
Income taxes	110	60	11
EBITDA (b)	$ 28,991	$ 20,038	$ (40,511)
A reconciliation of EBITDA to Adjusted EBITDA is as follows:			
EBITDA (b)	$ 28,991	$ 20,038	$ (40,511)
Adjustments:			
Transaction, settlement and integration costs, net (c)	7,269	1,200	694
Restructuring costs	634	715	9,166
One-time customer concessions	341	—	—
Costs related to Kentucky tornado	429	—	—
Inventory impairment write-down	—	—	6,050
Executive and management transition costs	—	—	2,741
Rebranding costs	—	—	1,265
Loss on debt extinguishment	663	—	—
Non-cash share-based compensation expense	3,320	1,960	2,204
Adjusted EBITDA (b)	$ 41,647	$ 23,913	$ (18,391)

(a) Includes depreciation of $11,018, $10,662 and $10,661, which includes distribution facility depreciation of $3,755, $3,955 and $3,957 for the years ended January 29, 2022, January 30, 2021, and February 1, 2020, respectively. Distribution facility depreciation is included as a component of cost of sales within the accompanying consolidated statements of operations. The year ended January 29, 2022 and January 30, 2021 includes amortization expense related to the television distribution rights totaling $26,956 and $16,902, respectively. The year ended January 29, 2022 and January 30, 2021 includes amortization expense related to intangible assets totaling $1,416 and $415, respectively.

(b) EBITDA as defined for this statistical presentation represents net income (loss) for the respective periods excluding depreciation and amortization expense, interest income (expense) and income taxes. We define Adjusted EBITDA as EBITDA excluding non-operating gains (losses); transaction, settlement and integration costs, net; restructuring costs; costs related to the Kentucky tornado; non-cash impairment charges and write downs; executive and management transition costs; one-time customer concessions; rebranding costs; gain on sale of television station; and non-cash share-based compensation expense.

(c) Transaction, settlement and integration costs for the year ended January 29, 2022 include approximately $1,899 of transaction and transition costs related to our acquisition of 1-2-3.tv, approximately $2,304 of transaction and transition costs related to our acquisition of Christopher & Banks, $641 of transaction and transition costs related to our acquisition of Synacor's Advertising and Portal business. Transaction, settlement and integration costs for the year ended January 30, 2021 include consulting fees incurred to explore additional loan financings, settlement costs, professional fees related to the TheCloseOut.com transaction, and incremental COVID-19 related legal costs. Transaction, settlement and integration costs, net, for year ended February 1, 2020 includes contract settlement costs of $1,200; business acquisition and integration-related costs of $246 to acquire Float Left and J.W. Hulme; costs incurred related to the implementation of our ShopHQ VIP customer loyalty program and our third-party logistics service offerings of $658, costs incurred to amend our Articles of Incorporation and to effect a reverse stock split of our common stock, partially offset by a $1,500 gain for the sale of our claim related to the Payment Card Interchange Fee and Merchant Discount Antitrust Litigation class action lawsuit.

We have included the term "Adjusted EBITDA" in our reconciliation in order to adequately assess the operating strength and performance of our businesses. The Management team uses this measure to evaluate our business and make decisions about allocating resources to businesses and strategic initiatives. In addition, management uses Adjusted EBITDA as a financial measure to evaluate operating performance under our incentive compensation programs. Adjusted EBITDA should be considered in addition to, but not a substitute for operating income or loss, net income or loss or cash flows from operating activities and other measures as prepared in accordance with GAAP.

Results of Operations – Reporting Segments

The following table sets forth, for the periods indicated, certain statement of operations data for each segment.

	Fiscal Year Ended					
	January 29, 2022		January 30, 2021		February 1, 2020	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Net Sales						
Entertainment	$ 478,945	87 %	$ 445,452	98 %	$ 496,169	99 %
Consumer Brands	44,347	8 %	2,155	0 %	2,274	0 %
Media Commerce Services	27,842	5 %	6,564	1 %	3,379	1 %
Total net sales	$ 551,134	100 %	$ 454,171	100 %	$ 501,822	100 %
Gross Margin						
Entertainment	$ 192,572	87 %	$ 163,897	98 %	$ 162,806	99 %
Consumer Brands	21,957	10 %	894	1 %	795	0 %
Media Commerce Services	8,087	4 %	2,262	1 %	36	0 %
Total gross margin	$ 222,616	100 %	$ 167,053	100 %	$ 163,637	100 %
Operating Income (Loss)						
Entertainment	$ (13,500)	126 %	$ (6,286)	79 %	$ (49,723)	95 %
Consumer Brands	1,609	(15)%	(1,599)	20 %	(1,928)	4 %
Media Commerce Services	1,166	(11)%	(55)	1 %	(874)	2 %
Total operating income (loss)	$ (10,725)	100 %	$ (7,940)	100 %	$ (52,525)	100 %

The entertainment segment continued to be our most significant segment in 2021 based on net sales, gross margin, and operating income (loss). The consumer brands segment had the highest rate of sales growth for fiscal 2021, with an increase of 1,958%. The consumer brands segment also had the highest gross margin rate, 49.5% for fiscal 2021. The results of operations for each segment and significant changes from year to year are discussed below.

Entertainment Segment

The entertainment segment is comprised of our television networks: ShopHQ, ShopBulldogTV, ShopHQHealth, ShopJewelryHQ and 1-2-3.tv. The following table summarizes net sales by product category and other information from statements of operations for the entertainment segment:

	Fiscal Year Ended					
	January 29, 2022		January 30, 2021		February 1, 2020	
Entertainment:	**Amount**	**% of Rev**	**Amount**	**% of Rev**	**Amount**	**% of Rev**
Jewelry & Watches	$ 191,675	40.0 %	$ 164,200	36.9 %	$ 200,948	40.5 %
Health, Beauty & Wellness	103,475	21.6 %	129,858	29.2 %	80,945	16.3 %
Home	77,879	16.3 %	62,118	13.9 %	106,025	21.4 %
Fashion & Accessories	57,999	12.1 %	45,261	10.2 %	65,616	13.2 %
Other (primarily shipping & handling revenue)	47,917	10.0 %	44,015	9.9 %	42,635	8.6 %
Total entertainment revenues	$ 478,945	100.0 %	$ 445,452	100.0 %	$ 496,169	100.0 %
Gross margin	$ 192,572	40.2 %	$ 163,897	36.8 %	$ 162,806	32.8 %
Operating loss	$ (13,500)	(2.8)%	$ (6,286)	(1.4)%	$ (49,723)	(10.0)%

Entertainment net sales increased $33,493 or 7.5% and decreased $50,717 or 10.2% for fiscal 2021 and 2020, respectively. For 2021, the increase in net sales was primarily due to the acquisition of 1-2-3.tv and growth in the Jewelry & Watches and Fashion & Accessories product lines, offset by decreases in Health, Beauty & Wellness, for ShopHQ. For 2020, the decrease in net sales was primarily due to our priority to increase our gross margin by reducing sales of less profitable products, particularly in consumer electronics.

Entertainment gross margin percentage was 40.2%, 36.8% and 32.8% for fiscal 2021, 2020 and 2019, respectively. For 2021, the 341-basis point improvement was primarily attributable to continued price optimization and product mix shift to higher margin rate categories, such as jewelry and watches, fashion, and beauty. For 2020, the 398-basis point increase was also primarily attributable to the gross margin increases due to strategic promotional and pricing initiatives.

Entertainment operating loss was (2.8)%, (1.4)% and (10.0)% for fiscal 2021, 2020, and 2019 respectively. For 2021, the increase in operating loss as a percentage of sales was due to an increase in program distribution expense of $3,090 and an increase in broadcast rights amortization. For 2020, the $43,437 improvement in Operating income was primarily due to margin improvement and cost saving initiatives.

Consumer Brands Segment

The consumer brands segment is comprised of Christopher & Banks (“C&B”), J.W. Hulme Company (“JW”), Cooking with Shaquille O’Neal (“Shaq”), OurGalleria.com and TheCloseout.com (“TCO”). The following table

summarizes net sales by product category and other information from statements of operations for the consumer brands segment:

	Fiscal Year Ended					
	January 29, 2022		January 30, 2021		February 1, 2020	
Consumer Brands:	**Amount**	**% of Rev**	**Amount**	**% of Rev**	**Amount**	**% of Rev**
Fashion & Accessories	$ 40,321	90.9 %	$ 2,177	101.0 %	$ 2,275	100.0 %
Home	1,786	4.0 %	—	— %	—	— %
Jewelry & Watches	1,690	3.8 %	—	— %	—	— %
Other (primarily shipping & handling revenue)	550	1.2 %	(22)	(1.0)%	(1)	(0.0)%
Total consumer brands revenues	$ 44,347	100.0 %	$ 2,155	100.0 %	$ 2,274	100.0 %
Gross margin	$ 21,957	49.5 %	$ 894	41.5 %	$ 795	35.0 %
Operating income (loss)	$ 1,609	3.6 %	$ (1,599)	(74.2)%	$ (1,928)	(84.8)%

Consumer brands net sales for the consumer brands segment increased $42,192 or 1,958% and decreased $119 or 5.2% for fiscal 2021 and 2020, respectively, when compared to the previous fiscal year. For 2021, the increase in net sales was primarily due to the 2021 acquisitions of C&B and TCO. C&B and TCO contributed approximately 83% and 11%, respectively, of consumer brands net sales for fiscal 2021. eCommerce sales contributed over 91% of the sales growth in fiscal 2021. For 2020, the decrease in net sales was primarily due to the negative impact of COVID-19 on our brick-and-mortar locations, which negatively impacted store sales at JW.

Consumer brands gross margin percentage was 49.5%, 41.5% and 35.0% for fiscal 2021, 2020 and 2019, respectively. For fiscal 2021, the 803-basis point improvement was primarily due to the 2021 acquisition of C&B, which has a standalone gross margin percentage of 54.0%. For fiscal 2020, the 652-basis point increase was primarily the result of continued promotions and pricing initiatives.

Consumer brands operating income (loss) as a percentage of sales was 3.6%, (74.2)%, and (84.8)% for fiscal 2021 and 2020, respectively. The increase in operating income as a percentage of sales in 2021 is primarily attributable to investments made in marketing campaigns and direct-to-consumer catalogs designed to reinvigorate the C&B customer base to drive sales in the near-term and create customer lifetime value through customer reactivation and acquisition. For 2020, we were not able to leverage the fixed operating expenses primarily for JW Hulme, which continues to be a brand that has long-term value.

Media Commerce Services Segment

The media commerce services segment is comprised of iMedia Digital Services (“iMDS”), Float Left (“FL”) and i3PL. The following table summarizes net sales by product category and other information from statements of operations for the consumer brands segment:

	Fiscal Year Ended					
	January 29, 2022		January 30, 2021		February 1, 2020	
Media Commerce Services:	**Amount**	**% of Rev**	**Amount**	**% of Rev**	**Amount**	**% of Rev**
Syndication	$ 14,466	52.0 %	$ —	— %	$ —	— %
Advertising & Search	7,558	27.1 %	—	— %	—	— %
OTT	2,281	8.2 %	2,254	34.3 %	167	4.9 %
Other	3,537	12.7 %	4,310	65.7 %	3,212	95.1 %
Total media commerce services revenues	$ 27,842	100.0 %	$ 6,564	100.0 %	$ 3,379	100.0 %
Gross margin	$ 8,087	29.0 %	$ 2,262	34.5 %	$ 36	1.1 %
Operating income (loss)	$ 1,166	4.2 %	$ (55)	(0.8)%	$ (874)	(25.9)%

Media commerce services net sales increased $21,278 or 324.2% and $3,185 or 94.3% for fiscal 2021 and 2020, respectively, when compared to the previous fiscal year. For 2021, the increase in net sales was primarily due to the acquisition of iMDS (Synacor acquisition), which contributed approximately 79% to sales for fiscal 2021. For 2020, the increase in net sales was primarily due to the acquisition of FL.

Media commerce services gross margin percentage was 29.0%, 34.5% and 1.1% for 2021, 2020 and 2019, respectively. For fiscal 2021, the 541-basis point decrease was primarily due to the shift to lower-margin portal and advertising services through the acquisition of iMDS. For fiscal 2020, the 3,340-basis point increase was primarily the result of growth in the higher-margin OTT service line through the acquisition of FL.

Media commerce services operating income (loss) was 4.2% and (0.8)% of sales for fiscal 2021 and 2020, respectively. For 2021, the increase in operating income as a percentage of sales is primarily due to the acquisition of iMDS. For 2020, labor investments in the business did not deliver anticipated results, which inflated the cost as a percentage of net sales as we were not able to leverage operating expenses in fiscal 2020.

Financial Condition, Liquidity and Capital Resources

As of January 29, 2022, we had cash of $11,295 and $11,400 of availability on the Siena Credit Facility. In addition, under the Sienna Credit Facility, we are required to maintain a minimum of $7,500 of unrestricted cash plus unused line availability at all times. As of January 30, 2021, we had cash of $15,485. During fiscal 2021, working capital increased $38,445 to $72,108 compared to working capital of $33,663 for fiscal 2020 (see “Cash Requirements” below for additional information on changes in working capital accounts). The current ratio (our total current assets divided by total current liabilities) improved to 1.4 at January 29, 2022 compared to 1.2 at January 30, 2021.

Sources of Liquidity

Our principal source of liquidity is our available cash and our additional borrowing capacity under our revolving credit facility with Siena Lending Group, LLC (“Siena”). As of January 29, 2022, we had cash of $11,295 and additional borrowing capacity of $11,400.

8.50% Senior Unsecured Notes

On September 28, 2021, we completed and closed on our $80,000 offering of 8.50% Senior Unsecured Notes due 2026 (the “Notes”) and issued the Notes. We received related net proceeds of $73,700 after deducting the underwriting discount and estimated offering expenses payable by us (including fees and reimbursements to the underwriters). The Notes were issued under an indenture, dated September 28, 2021 (the “Base Indenture”), between us and U.S. Bank National Association, as trustee (the “Trustee”), as supplemented by the First Supplemental Indenture, dated September 28, 2021 (the “Supplemental Indenture,” and the Base Indenture as supplemented by the Supplemental Indenture, the “Indenture”), between us and the Trustee. The Notes were denominated in denominations of $25.00 per note and integral multiples of $25.00 in excess thereof.

The Notes will pay interest quarterly in arrears on March 31, June 30, September 30 and December 31 of each year, commencing on December 31, 2021, at a rate of 8.50% per year, and will mature on September 30, 2026.

The Notes are our senior unsecured obligations. There is no sinking fund for the Notes. The Notes are the obligations of iMedia Brands, Inc. only and are not obligations of, and are not guaranteed by, any of our subsidiaries. We may redeem the Notes for cash in whole or in part at any time at our option (i) on or after September 30, 2023 and prior to September 30, 2024, at a price equal to $25.75 per note, plus accrued and unpaid interest to, but excluding, the date of redemption, (ii) on or after September 30, 2024 and prior to September 30, 2025, at a price equal to $25.50 per note, plus accrued and unpaid interest to, but excluding, the date of redemption, and (iii) on or after September 30, 2025 and prior to maturity, at a price equal to $25.25 per note, plus accrued and unpaid interest to, but excluding, the date of redemption. The Indenture provides for events of default that may, in certain circumstances, lead to the outstanding principal and unpaid interest of the Notes becoming immediately due and payable. If a Mandatory Redemption Event (as defined in the Supplemental Indenture) occurs, we will have an obligation to redeem the Notes, in whole but not in part, within 45 days after the occurrence of the Mandatory Redemption Event at a redemption price in cash equal to $25.50 per note plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

We used all of the net proceeds from the offering to fund our closing cash payment in connection with the acquisition of 1.2.3.tv Invest GmbH and 1.2.3.tv Holding GmbH and any remaining proceeds for working capital and general corporate purposes, which may include payments related to the acquisition.

The offering was made pursuant to an effective shelf registration statement filed with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act") on August 5, 2021 and declared effective by the Commission on August 12, 2020 (File No. 333-258519), a base prospectus included as part of the registration statement, and a prospectus supplement, dated September 23, 2021, filed with the SEC pursuant to Rule 424(b) under the Securities Act.

Debt issuance costs, net of amortization, relating to the Notes were $5,925 and $0 as of January 29, 2022, and January 30, 2021, respectively and are included as a direct reduction to the 8.50% Senior Unsecured Notes liability balance within the accompanying consolidated balance sheets. The balance of these costs is being expensed as additional interest over the five-year term of the 8.50% Senior Unsecured Notes.

Siena Credit Facility

On July 30, 2021, we and certain of our subsidiaries, as borrowers, entered into a loan and security agreement (as amended through September 20, 2021, the "Loan Agreement") with Siena Lending Group LLC and the other lenders party thereto from time to time, Siena Lending Group LLC, as agent (the "Agent"), and certain additional of our subsidiaries, as guarantors thereunder. The Loan Agreement has a three-year term and provides for up to a $80,000 revolving line of credit. Subject to certain conditions, the Loan Agreement also provides for the issuance of letters of credit in an aggregate amount up to $5,000 which, upon issuance, would be deemed advances under the revolving line of credit. Proceeds of borrowings were used to refinance all indebtedness owing to PNC Bank, National Association, to pay the fees, costs, and expenses incurred in connection with the Loan Agreement and the transactions contemplated thereby, for working capital purposes, and for such other purposes as specifically permitted pursuant to the terms of the Loan Agreement. Our obligations under the Loan Agreement are secured by substantially all of our assets and the assets of our subsidiaries as further described in the Loan Agreement.

Subject to certain conditions, borrowings under the Loan Agreement bear interest at 4.50% plus the London interbank offered rate for deposits in dollars ("LIBOR") for a period of 30 days as published in The Wall Street Journal three business days prior to the first day of each calendar month. There is a floor for LIBOR of 0.50%. If LIBOR is no longer available, a successor rate to be chosen by the Agent in consultation with us or a base rate.

The Loan Agreement contains customary representations and warranties and financial and other covenants and conditions. In addition, the Loan Agreement places restrictions on our ability to incur additional indebtedness or prepay existing indebtedness, to create liens or other encumbrances, to sell or otherwise dispose of assets, to merge or consolidate with other entities, and to make certain restricted payments, including payments of dividends to shareholders. We also pay a monthly fee at a rate equal to 0.50% per annum of the average daily unused amount of the credit facility for the previous month.

As of January 29, 2022, we had total borrowings of $60,216 under our revolving line of credit with Siena. Remaining available capacity under the revolving line of credit as of January 29, 2022 was approximately $11,400, which provided liquidity for working capital and general corporate purposes. As of January 29, 2022, we were in compliance with applicable financial covenants of the Siena Credit Facility and expect to be in compliance with applicable financial covenants over the next twelve months.

Interest expense recorded under the Siena Credit Facility was $1,746 for fiscal 2021.

Deferred financing costs, net of amortization, relating to the revolving line of credit were $2,411 and $0 as of January 29, 2022 and January 30, 2021, respectively and are included within other assets within the accompanying consolidated balance sheets. The balance of these costs is being expensed as additional interest over the three-year term of the Siena Loan Agreement.

GreenLake Real Property Financing

On July 30, 2021, two of the our subsidiaries, VVI Fulfillment Center, Inc. and EP Properties, LLC (collectively, the "Borrowers"), and us, as guarantor, entered into that certain Promissory Note Secured by Mortgages (the "GreenLake Note") with GreenLake Real Estate Finance LLC ("GreenLake") whereby GreenLake agreed to make a secured term loan (the "Term Loan") to the Borrowers in the original amount of $28,500. The GreenLake Note is secured by, among other things, mortgages encumbering our owned properties in Eden Prairie, Minnesota and Bowling Green, Kentucky (collectively, the "Mortgages") as well as other assets as described in the GreenLake Note. Proceeds of borrowings shall be used to (i) pay fees and expenses related to the transactions contemplated by the GreenLake Note, (ii) make certain payments approved by GreenLake to third parties, and (iii) provide for our working capital and general corporate purposes. We has also pledged the stock that we owns in the Borrowers to secure we guarantor obligations.

The GreenLake Note is scheduled to mature on July 31, 2024. The borrowings, which include all amounts advanced under the GreenLake Note, bear interest at 10.00% per annum or, at the election of the Lender upon no less than 30 days prior written notice to the Borrowers, at a floating rate equal to the prime rate plus 200 basis points.

The GreenLake Note contains customary representations and warranties and financial and other covenants and conditions, including, a requirement that the Borrowers comply with all covenants set forth in the Loan Agreement described above. The GreenLake Note also contains certain customary events of default.

As of January 29, 2022, there was $28,500 outstanding under the term loan with GreenLake, all of which was classified as long-term in the accompanying condensed consolidated balance sheet. Principal borrowings under the term loan are non-amortizing over the life of the loan.

Interest expense recorded under the GreenLake Note was $1,793 for the year ended January 29, 2022.

Debt issuance costs, net of amortization, relating to the GreenLake Note were $1,682 and $0 as of January 29, 2022, and January 30, 2021, respectively and are included as direct reductions to the GreenLake Note liability balance within the accompanying consolidated balance sheets. The balance of these costs is being expensed as additional interest over the three-year term of the GreenLake Note.

Seller Notes

On November 5, 2021 the Company issued a $20,800 seller note as a component of consideration for the acquisition of 1-2-3.tv. The seller note is payable annually in two equal installments in November 2022 and November 2023. The seller note bears interest at a rate of 8.50%. $20,062 is outstanding as of January 29, 2022. Interest expense recorded under the November 5, 2021 seller note was $406 for the year ended January 29, 2022.

On July 30, 2021, the Company issued a $10,000 seller note as a component of consideration for the acquisition of Synacor's Portal and Advertising business. The seller note is payable in $1,000 quarterly installments, maturing on December 31, 2023. The seller note bears interest at rates between 6% and 11% depending upon the period outstanding. $8,000 is outstanding as of January 29, 2022. Interest expense recorded under the July 30, 2021 seller note was $278 for the year ended January 29, 2022.

Public Equity Offerings

On June 9, 2021, we completed a public offering, in which we issued and sold 4,830,918 shares of our common stock at a public offering price of $9.00 per share. After underwriter discounts and commissions and other offering costs, net proceeds from the public offering were approximately $39,955. We have used or intend to use the proceeds for general working capital purposes, including potential acquisitions of businesses and assets that are complementary to our operations.

On February 18, 2021, we completed a public offering, in which we issued and sold 3,289,000 shares of our common stock at a public offering price of $7.00 per share, including 429,000 shares sold upon the exercise of the underwriter's option to purchase additional shares. After underwriter discounts and commissions and other offering costs, net proceeds from the public offering were approximately $21,224. We used the proceeds for general working capital purposes.

On August 28, 2020, we completed a public offering, in which we issued and sold 2,760,000 shares of our common stock at a public offering price of $6.25 per share, including 360,000 shares sold upon the exercise of the underwriter's option to purchase additional shares. After underwriter discounts and commissions and other offering costs, net proceeds from the public offering were approximately $15,833. We used the proceeds for general working capital purposes.

Private Placement Securities Purchase Agreement

On April 14, 2020, we entered into a common stock and warrant purchase agreement with certain individuals and entities, pursuant to which we sold an aggregate of 1,836,314 shares of our common stock, issued warrants to purchase an aggregate of 979,190 shares of our common stock at a price of $2.66 per share, and fully-paid warrants to purchase an aggregate 114,698 shares of our common stock at a price of $0.001 per share in a private placement, for an aggregate cash purchase price of $4,000. The initial closing occurred on April 17, 2020 and we received gross proceeds of $1,500. Additional closings occurred on May 22, 2020, June 8, 2020, June 12, 2020 and July 11, 2020 and we received gross proceeds of $2,500. We incurred approximately $190 of issuance costs during the first half of fiscal 2020. The Warrants are indexed to our publicly traded stock and were classified as equity. The par value of the shares issued was recorded within common stock, with the remainder of the proceeds, less issuance costs, recorded as additional paid in capital in the accompanying condensed consolidated balance sheets. We used the proceeds for general working capital purposes.

The purchasers consisted of the following: Invicta Media Investments, LLC, Michael and Leah Friedman and Hacienda Jackson LLC. Invicta Media Investments, LLC is owned by Invicta Watch Company of America, Inc. ("IWCA"), which is the designer and manufacturer of Invicta-branded watches and watch accessories, one of our largest and longest tenured brands. Michael and Leah Friedman are owners and officers of Sterling Time, LLC ("Sterling Time"), which is the exclusive distributor of IWCA's watches and watch accessories for television home shopping and our long-time vendor. IWCA is owned by our Vice Chair and director, Eyal Lalo, and Michael Friedman also serves as one of our directors. A description of the relationship between us, IWCA and Sterling Time is contained in Note 19 – "Related Party Transactions." Further, Invicta Media Investments, LLC and Michael and Leah Friedman comprise a "group" of investors within the meaning of Section 13(d)(3) of the Securities and Exchange Act of 1934, as amended, that is our largest shareholder.

The warrants have an exercise price per share of $2.66 and are exercisable at any time and from time to time from six months following their issuance date until April 14, 2025. We have included a blocker provision in the purchase agreement whereby no purchaser may be issued shares of our common stock if the purchaser would own over 19.999% of our outstanding common stock and, to the extent a purchaser in this offering would own over 19.999% of our outstanding common stock, that purchaser will receive fully-paid warrants (in contrast to the coverage warrants that will be issued in this transaction, as described above) in lieu of the shares that would place such holder's ownership over 19.999%. Further, we included a similar blocker in the warrants (and amended the warrants purchased by the purchasers on May 2, 2019, if any) whereby no purchaser of the warrants may exercise a warrant if the holder would own over 19.999% of our outstanding common stock.

Other

Our ValuePay program is an installment payment program offered to customers in our entertainment and consumer brands reporting segments, which allows customers to pay by credit card for certain merchandise in two or more equal monthly installments with no interest charge. As of January 29, 2022, we had approximately $47,008 of net receivables due from customers under the ValuePay program. A source of near-term liquidity is our ability to increase our cash flow resources by reducing the percentage of our sales offered under our ValuePay installment program or by decreasing the length of time we extend credit to our customers under this installment program. However, any such change to the terms of our ValuePay installment program could impact future sales, particularly for products sold with higher price points. The customer demand for "buy now pay later" options has created a competitive platform for third-party providers to develop and offer favorable "buy now pay later" payments options for consumers that could potentially benefit retailers. Those benefits include; sales growth, immediate cash flow to the retailer and reduction/elimination in collection risk. The risk of payment and working capital requirements, could potentially reside with the third-party providers. Please see "Cash Requirements" below for a discussion of our ValuePay installment program.

Cash Requirements

Currently, our principal cash requirements are to fund our business operations and to fund our debt service. We closely manage our cash resources and our working capital. In our entertainment and consumer brands segments, we attempt to manage our inventory receipts and reorders in order to ensure our inventory investment levels remain commensurate with our current sales trends. We also monitor the collection of our credit card and ValuePay installment receivables and manage our vendor payment terms in order to more effectively manage our working capital which includes matching cash receipts from our customers to the extent possible, with related cash payments to our vendors. ValuePay remains a cost-effective promotional tool for us. We continue to make strategic use of our ValuePay program in an effort to increase sales and to respond to similar competitive programs.

Our ability to fund operations, debt service and capital expenditures in the future will be dependent on our ability to generate cash flow from operations, maintain margins and to use available funds from our Siena Loan Agreement. Our ability to borrow funds is dependent on our ability to maintain an adequate borrowing base, and our ability to meet our credit facility's covenants. Accordingly, if we do not generate sufficient cash flow from operations to fund our working capital needs, debt service payments and planned capital expenditures and meet credit facility covenants, and our cash reserves are depleted, we may need to take actions that are within our control, such as further reductions or delays in capital investments, additional reductions to our workforce, reducing or delaying strategic investments or other actions. We believe our existing cash balances and our availability under the Siena Loan Agreement, will be sufficient to fund our normal business operations over the next twelve months from the issuance of this report.

Our entertainment segment brands like ShopHQ and 1-2-3.tv have significant future commitments for our cash, primarily payments for cable and satellite program distribution obligations and the eventual repayment of our credit facility. As of January 29, 2022, we had total contractual cash obligations and commitments primarily with respect to our cable and satellite agreements, credit facility, operating leases, and finance lease payments totaling approximately $407,900 coming due over the next five fiscal years.

For fiscal 2021, net cash used for operating activities totaled $49,976 compared to net cash provided by operating activities of $6,231 in fiscal 2020 and net cash used for operating activities of $6,157 in fiscal 2019. Net cash used by operating activities for fiscal 2021 reflects a net loss, as adjusted for depreciation and amortization, share-based payment compensation, payments for television distribution rights, amortization of deferred financing costs and loss on debt extinguishment. In addition, net cash used for operating activities for fiscal 2021 reflects increases in inventories, accounts receivable, and prepaid expenses and other, and a decrease in deferred revenue and accounts payable and accrued liabilities. Inventories increased primarily as a result of the growth of inventory to support the Christopher and Banks business and additional inventory purchases made within the entertainment segment during Q3 to ensure we were not negatively impacted by logistic delays during our Q4.

For fiscal 2020, net cash provided by operating activities totaled $6,231 compared to net cash used for operating activities of $6,157 in fiscal 2019. Net cash provided by operating activities for fiscal 2020 reflects a net loss, as adjusted for depreciation and amortization, share-based payment compensation, payments for television distribution rights and amortization of deferred financing costs. In addition, net cash provided by operating activities for fiscal 2020 reflects decreases in inventories, accounts receivable and prepaid expenses, and an increase in deferred revenue; partially offset by decreases in accounts payable and accrued liabilities. Inventories decreased primarily as a result of disciplined management of overall working capital components commensurate with sales. Accounts receivable decreased primarily due to lower sales levels, as well as a slight decrease in the utilization of our ValuePay installment program. Accounts payable and accrued liabilities decreased during the first nine months of fiscal 2020 primarily due to a decrease in inventory payables as a result of lower inventory levels and timing of payments to vendors, a decrease in accrued severance resulting from our 2019 cost optimization initiative and 2019 executive and management transition, and a decrease in accrued cable distribution fees.

Net cash used for investing activities totaled $116,448 for fiscal 2021 compared to net cash used for investing activities of $4,892 for fiscal 2020. Net cash used for investing activities included expenditures for business acquisitions totaling $100,411 in fiscal 2021 and $0 in fiscal 2020. The 2021 expenditures for business acquisitions included $76,911 net, for 1-2-3.tv, $20,000 for Synacor's Ad and Portal business, and $3,500 for Christopher & Banks. Expenditures for property and equipment were $10,037 in fiscal 2021 compared to $4,892 in fiscal 2020. The increase in capital expenditures in fiscal 2021 compared to fiscal 2020 primarily related to expenditures made for building improvements made at our Eden

Prairie facility. Additional capital expenditures made during the periods presented relate primarily to the development, upgrade and replacement of computer software, order management, merchandising and warehouse management systems, related computer equipment, digital broadcasting equipment, and other office equipment, warehouse equipment and production equipment. Principal future capital expenditures are expected to include: the development, upgrade and replacement of various enterprise software systems; equipment improvements and technology upgrades at our distribution facility in Bowling Green, Kentucky; security upgrades to our information technology; and related computer and other equipment associated with the expansion of our entertainment, consumer brands and media commerce services business segments. During fiscal 2021, we also provided a cash deposit of $6,000 to a vendor to be used as working capital pursuant to a related exclusivity agreement.

Net cash used for investing activities totaled $4,892 for fiscal 2020 compared to net cash used for investing activities of $7,784 for fiscal 2019. Expenditures for property and equipment were $4,892 in fiscal 2020 compared to $7,146 in fiscal 2019. The decrease in capital expenditures in fiscal 2020 compared to fiscal 2019 primarily related to expenditures made for the upgrades in our customer service call routing technology during fiscal 2019. Additional capital expenditures made during the periods presented relate primarily to the development, upgrade and replacement of computer software, order management, merchandising and warehouse management systems, related computer equipment, digital broadcasting equipment, and other office equipment, warehouse equipment and production equipment.

Net cash provided by financing activities totaled $162,610 in fiscal 2021 and related primarily to proceeds from the issuance of 8.50% Senior Unsecured Notes of $80,000, PNC and Siena revolving loans of $96,952, proceeds from the issuance of common stock of $61,877 and proceeds from the issuance of the GreenLake Term Loan of $28,500. These cash proceeds were offset by principal payments on the PNC and Siena revolving loans of $77,736, principal payments on our PNC term loan of $12,440, payments for debt issuance costs of $11,191, payments on seller notes of $2,000, payments for debt extinguishment costs of $405, finance lease payments of $86 and tax payments for restricted stock unit issuances of $202.

Net cash provided by financing activities totaled $3,859 in fiscal 2020 and related primarily to proceeds from our PNC revolving loan of $26,400 and proceeds from the issuance of common stock and warrants of $20,043, offset by principal payments on the PNC revolving loan of $39,300, principal payments on our PNC term loan of $2,714, final payments related to our fiscal 2019 business acquisitions of $238, payments for common stock issuance costs of $216, finance lease payments of $103 and tax payments for restricted stock unit issuances of $13. Net cash provided by financing activities totaled $3,293 in fiscal 2019 and related primarily to proceeds from our PNC revolving loan of $188,100 and proceeds from the issuance of common stock and warrants of $6,000, offset by principal payments on the PNC revolving loan of $188,100, principal payments on our PNC term loan of $2,488, payments for common stock issuance costs of $109, finance lease payments of $71 and tax payments for restricted stock unit issuances of $39.

Financial Covenants

The Loan Agreement contains customary representations and warranties and financial and other covenants and conditions, including, among other things, minimum liquidity requirements. The Loan Agreement also requires we maintain a maximum senior net leverage ratios for each quarter. In addition, the Loan Agreement places restrictions on our ability to incur additional indebtedness or prepay existing indebtedness, to create liens or other encumbrances, to sell or otherwise dispose of assets, to merge or consolidate with other entities, and to make certain restricted payments, including payments of dividends to shareholders.

Critical Accounting Estimates

Management's Discussion and Analysis of Financial Condition and Results of Operations discusses our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. On an on-going basis, we evaluate our estimates and assumptions, including those related to the realizability of accounts receivable, inventory and product returns. We base our estimates and assumptions on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about

the carrying values of assets and liabilities that are not readily apparent from other sources. There can be no assurance that actual results will not differ from these estimates under different assumptions or conditions.

Management believes the following critical accounting policies estimates affect the more significant assumptions and estimates used in the preparation of the consolidated financial statements:

- *Accounts receivable.* In our entertainment and consumer brands reporting segments, we utilize an installment payment program called ValuePay in our entertainment segment that entitles customers to purchase merchandise and pay for the merchandise in two or more equal monthly credit card installments in which we bear the risk of collection. The percentage of our net sales generated utilizing our ValuePay payment program over the past three fiscal years ranged from 50% to 57%. As of January 29, 2022 and January 30, 2021, we had approximately $47,008 and $49,736 due from customers under the ValuePay installment program. We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. Estimates are used in determining the provision for doubtful accounts and are based on historical rates of actual write offs and delinquency rates, historical collection experience, credit policy, current trends in the credit quality of our customer base, average length of ValuePay offers, average selling prices, our sales mix and accounts receivable aging. The provision for doubtful accounts, which is primarily related to our ValuePay program, for fiscal 2021, fiscal 2020, and fiscal 2019 was $4,067, $4,900, and $7,311, which is included in distribution and selling expense in the consolidated statements of operations. Based on our fiscal 2021 bad debt expense, a one-half point increase or decrease in bad debt expense as a percentage of total net sales would have an impact of approximately $1,100 on consolidated distribution and selling expense.

- *Inventory.* In our entertainment and consumer brands reporting segments, we value our inventory, which consists primarily of consumer merchandise held for resale, principally at the lower of average cost or net realizable value. As of January 29, 2022 and January 30, 2021, we had inventory balances of $116,256 and $68,715. We regularly review inventory quantities on hand and record a provision for excess and obsolete inventory based primarily on the following factors: age of the inventory and the historical margins on the sales of aged inventory, estimated required sell-through time, stage of product life cycle and whether items are selling below cost. In determining appropriate reserve percentages, we look at our historical write off experience, the specific merchandise categories affected, our historic recovery percentages on various methods of liquidations, return to vendor contract rights, forecasts of future planned receipts, forecasts of inventory levels, forecasts of future product airings and current markdown processes. Provision for excess and obsolete inventory for fiscal 2021, fiscal 2020 and fiscal 2019$62, $5,512 and $8,798. The fiscal 2019 provision includes a non-cash inventory write-down of $6,050 resulting from a change in our merchandise strategy (see Note 17 – “Inventory Impairment Write-down” in the notes to our consolidated financial statements). Based on our fiscal 2021 inventory provision experience, a 10% increase or decrease in inventory write downs would have had an impact of approximately $6 on consolidated gross profit.

- *Merchandise returns.* In our entertainment and consumer brands reporting segments, we record a merchandise return liability as a reduction of gross sales for anticipated merchandise returns at each reporting period and must make estimates of potential future merchandise returns related to current period product revenue. Our return rates on our total net sales were 16.0% in fiscal 2021, 14.8% in fiscal 2020, and 19.4% in fiscal 2019. We estimate and evaluate the adequacy of our merchandise returns liability by analyzing historical returns by merchandise category, looking at current economic trends and changes in customer demand and by analyzing the acceptance of new product lines. Assumptions and estimates are made and used in connection with establishing the merchandise return liability in any accounting period. As of January 29, 2022 and January 30, 2021, we recorded a merchandise return liability of $8,126 and $5,271, included in accrued liabilities, and a right of return asset of $3,770 and $2,749, included in other current assets. Based on our fiscal 2021 sales returns, a one-point increase or decrease in our returns rate would have had an impact of approximately $2,700 on gross profit.

- *Business combinations.* We account for business combinations under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 805 “Business Combinations” using the acquisition method of accounting, and accordingly, the assets and liabilities of the acquired business are recorded at their fair values at the date of acquisition. The excess of the purchase price over the estimated fair value is recorded as

goodwill. All acquisition costs are expensed as incurred. Upon acquisition, the accounts and results of operations are consolidated as of and subsequent to the acquisition date.

- *Goodwill*. Goodwill represents the excess of purchase price over the value assigned to the net assets, including identifiable intangible assets, of a business acquired. Goodwill is tested for impairment at the reporting unit level. A reporting unit is defined as an operating segment or one level below an operating segment, referred to as a component. A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and segment management regularly reviews the operating results of that component. The Company performs its annual goodwill impairment tests as of the first day of the fourth quarter of the fiscal year or in interim periods if certain events occur indicating that the carrying amount may be impaired, such as changes in the business climate, poor indicators of operating performance or the sale or disposition of a significant portion of a reporting unit. When testing goodwill, the Company has the option of first performing a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit or indefinite-lived intangible asset is less than their respective carrying amounts as the basis to determine if it is necessary to perform a quantitative impairment test. If the Company chooses not to complete a qualitative assessment, or if the initial assessment indicates that it is more likely than not that the carrying amount of a reporting unit or the carrying amount of an indefinite-lived intangible asset exceed their respective estimated fair values, a quantitative test is required. In performing a quantitative impairment test, the Company compares the fair value of each reporting unit and with their respective carrying amounts. If the carrying amounts of the reporting unit exceed their respective fair values, an impairment charge is recognized in an amount equal to the difference, limited to the total amount of goodwill allocated to that reporting unit. There was no impairment of goodwill for the years ended January 29, 2022 and January 30, 2021; however, events such as prolonged economic weakness or unexpected significant declines in operating results of any of our reporting units or businesses, may result in goodwill impairment charges in the future.

- *Intangible Assets.* Identifiable intangibles with finite lives are amortized over their estimated useful lives. Identifiable intangible assets that are subject to amortization are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment test consists of a comparison of the fair value of the intangible asset with its carrying amount. There was no impairment of intangible assets for the years ended January 29, 2022 and January 30, 2021; however, events such as prolonged economic weakness or unexpected significant declines in operating results of any of our reporting units or businesses, may result in intangible asset impairment charges in the future.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 8. Financial Statements and Supplementary Data

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
OF iMEDIA BRANDS, INC.
AND SUBSIDIARIES

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of
iMedia Brands, Inc. and subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of iMedia Brands Inc. and subsidiaries (the "Company") as of January 29, 2022 and January 30, 2021, the related consolidated statements of operations, shareholders' equity, and cash flows, for each of the three fiscal years in the period ended January 29, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of January 29, 2022 and January 30, 2021, and the results of its operations and its cash flows for each of the three fiscal years in the period ended January 29, 2022, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of January 29, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated April 29, 2022, expressed an adverse opinion on the Company's internal control over financial reporting because of the material weaknesses.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Inventory Obsolescence Reserve – Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company's inventories are stated at the lower of average cost or net realizable value. The Company maintains an inventory obsolescence reserve based primarily on the age of the inventory, estimated required sell-through time, stage of product life cycle and whether items are selling below cost. In determining appropriate inventory obsolescence reserve

percentages, the Company evaluates a number of factors including its historical write off experience, the specific merchandise categories affected, its historic recovery percentages on various methods of liquidations, and return to vendor contract rights, as well as forecasts of future planned receipts, inventory levels, and product airings. Inventories, net, and the inventory obsolescence reserve at January 29, 2022, totaled $116.3 million and $8.9 million, respectively.

Given the significant judgments necessary to identify and record the inventory reserve timely, performing audit procedures to evaluate management's estimates of the net realizable value for the inventory on-hand as of the reporting date involved a high degree of auditor judgment.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the inventory obsolescence reserve included the following, among others:

- We evaluated the appropriateness and consistency of management's methodology and assumptions used in determining the inventory obsolescence reserve.
- We obtained the Company's inventory obsolescence reserve calculation and tested the mathematical accuracy.
- We tested the accuracy and completeness of the underlying data used in the calculation of the Company's inventory obsolescence reserve.
- We selected a sample of inventory items and evaluated historical sales performance relative to management's conclusions on the ability to sell through the inventory on-hand at the forecasted levels.
- We performed a retrospective review of actual product sales activity and the relative gross margins earned subsequent to fiscal year end to assess potential bias present in the reserve estimate.

Business Acquisitions – Refer to Note 13 to the Financial Statements

Critical Audit Matter Description

The Company completed four acquisitions during the year ended January 29, 2022 for an aggregate purchase price of approximately $146.0 million. The Company accounted for the acquisitions under the acquisition method of accounting for business combinations. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their respective fair values, including customer lists and relationship intangible assets of $8.5 million, trademark and trade names intangible assets of $13.3 million, and technology assets of $5.9 million, for total intangible assets recognized of $27.7 million. The fair value determination of the intangible assets required management to make significant estimates and assumptions related to future cash flows and selection of the discount rates and royalty rates.

We identified the fair value determination of the trade name intangible asset of 1-2-3.tv as a critical audit matter because of the significant estimates and assumptions management makes to determine the fair value of this asset. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists, when performing audit procedures to evaluate the reasonableness of management's forecast of the net revenue attributable to the trade name and the selection of the royalty rate used in the determination of the initial fair value of the trade name intangible asset.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecast of net revenue attributable to the trade name and the selection of the royalty rate for the trade name intangible asset included the following, among others:

- We assessed the reasonableness of management's forecast of net revenue attributable to the trade name by comparing the projections to historical results, certain peer companies' historical results, and industry reports.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the (1) valuation methodology, and (2) royalty rate by:
    - Testing the source information underlying the determination of the royalty rate and testing the mathematical accuracy of the calculations

- Developing a range of independent estimates and comparing those to the royalty rate selected by management

- We evaluated whether the estimated future cash flows were consistent with evidence obtained in other areas of the audit.

/s/ DELOITTE & TOUCHE LLP

Minneapolis, Minnesota

April 29, 2022

We have served as the Company's auditor since 2002

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of
iMedia Brands, Inc. and subsidiaries

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of iMedia Brands, Inc. and subsidiaries (the "Company") as of January 29, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, because of the effect of the material weaknesses identified below on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of January 29, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended January 29, 2022 of the Company and our report dated April 29, 2022, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Material Weaknesses

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements

will not be prevented or detected on a timely basis. The following material weaknesses have been identified and included in in the accompanying Management's Annual Report on Internal Control Over Financial Reporting:

- *Control Environment* - Management did not maintain an effective control environment based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the control environment of the COSO framework. Specifically, the closure of four acquisitions, the debt and equity offerings this year and the turnover of key members of management, resulted in a lack sufficient resources as well as trained resources with assigned responsibilities and accountability for the design and operation of internal control over financial reporting. The material weakness in the control environment led to additional material weaknesses in our system of internal control as described below.
- *Risk Assessment* – Management did not design and implement an effective risk assessment based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the risk assessment component of the COSO framework.
- *Control Activities* – Management did not design and implement effective control activities based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the control activities component of the COSO framework. Specifically, these control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) selecting and developing control activities that contribute to the mitigation of risks and support achievement of objectives; and (ii) deploying control activities through policies that establish what is expected and procedures that put policies into action.
- *Information & Communication* – Management did not consistently generate or provide adequate quality supporting information and communication based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the information and communication component of the COSO framework. Specifically, these control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) obtaining, generating, and using relevant quality information to support the functions of internal control; and (ii) communicating accurate information internally and externally, including providing information pursuant to objectives, responsibilities, and functions of internal control.

  The following were contributing factors to the material weaknesses in information and communication:

  - Inadequate general information technology controls in the areas of access security and program change-management over certain information technology systems that support the Company's financial reporting processes.
  - Inconsistent retention of documentation or analysis to provide underlying support and calculations related to reserve and accrual adjustments when recorded.
  - Insufficient processes in place to communicate required information to enable personnel to understand internal control responsibilities
- *Monitoring* – Management did not design and implement effective monitoring activities based on the criteria established in the COSO framework to enable appropriate monitoring to determine whether the components of internal control are present and functioning as established by the COSO framework.

These material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements as of and for the year ended January 29, 2022, of the Company, and this report does not affect our report on such financial statements.

/s/ DELOITTE & TOUCHE LLP

Minneapolis, Minnesota
April 29, 2022

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

	January 29, 2022	January 30, 2021
ASSETS		
Current assets:		
Cash	$ 11,295	$ 15,485
Restricted Cash	1,893	—
Accounts receivable, net	78,947	61,951
Inventories	116,256	68,715
Current portion of television broadcast rights, net	27,521	19,725
Prepaid expenses and other	18,340	7,853
Total current assets	254,252	173,729
Property and equipment, net	48,225	41,988
Television broadcast rights, net	74,821	7,028
Goodwill	99,050	—
Intangible assets, net	27,940	2,359
Other assets	18,359	1,533
TOTAL ASSETS	$ 522,647	$ 226,637
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 89,046	$ 77,995
Accrued liabilities	44,388	29,509
Current portion of television broadcast rights obligations	31,921	29,173
Current portion of long-term debt	14,031	2,714
Current portion of operating lease liabilities	2,331	462
Deferred revenue	427	213
Total current liabilities	182,144	140,066
Long-term broadcast rights obligations	81,268	7,358
Long-term debt, net	176,432	50,666
Long-term operating lease liabilities	5,169	646
Deferred tax liability	5,285	—
Other long-term liabilities	2,986	851
Total liabilities	453,284	199,587
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, $0.01 per share par value, 400,000 shares authorized; zero shares issued and outstanding	—	—
Common stock, $0.01 per share par value, 29,600,000 shares authorized as of January 29, 2022 and January 30, 2021; 21,571,387 and 13,019,061 shares issued and outstanding as of January 29, 2022 and January 30, 2021	216	130
Additional paid-in capital	538,627	474,375
Accumulated deficit	(469,463)	(447,455)
Accumulated other comprehensive loss	(2,428)	—
Total shareholders' equity	66,951	27,050
Equity of the non-controlling interest	2,412	—
Total equity	69,363	27,050
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 522,647	$ 226,637

The accompanying notes are an integral part of these consolidated financial statements.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share data)

	For the Fiscal Years Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Net sales	$ 551,134	$ 454,171	$ 501,822
Cost of sales	328,518	287,118	338,185
Gross profit	222,616	167,053	163,637
Operating expense:			
Distribution and selling	158,512	129,920	170,587
General and administrative	38,589	20,336	25,611
Depreciation and amortization	35,606	24,022	8,057
Restructuring costs	634	715	9,166
Executive and management transition costs	—	—	2,741
Total operating expense	233,341	174,993	216,162
Operating loss	(10,725)	(7,940)	(52,525)
Other income (expense):			
Interest income	199	3	17
Interest expense	(11,727)	(5,237)	(3,777)
Loss on debt extinguishment	(663)	—	—
Total other expense, net	(12,191)	(5,234)	(3,760)
Loss before income taxes	(22,916)	(13,174)	(56,285)
Income tax provision	(110)	(60)	(11)
Net loss	$ (23,026)	$ (13,234)	$ (56,296)
Less: Net loss attributable to non-controlling interest	(1,018)	—	—
Net loss attributable to shareholders	(22,008)	(13,234)	(56,296)
Net loss per common share	$ (1.14)	$ (1.23)	$ (7.54)
Net loss per common share — assuming dilution	$ (1.14)	$ (1.23)	$ (7.54)
Weighted average number of common shares outstanding:			
Basic	19,362,062	10,745,916	7,462,380
Diluted	19,362,062	10,745,916	7,462,380

The accompanying notes are an integral part of these consolidated financial statements.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(in thousands, except share and per share data)

	For the Fiscal Years Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Net loss	$ (23,026)	$ (13,234)	$ (56,296)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(2,428)	—	—
Total other comprehensive income (loss)	(2,428)	—	—
Comprehensive loss	(25,454)	(13,234)	(56,296)
Comprehensive loss attributable to non-controlling interest	(1,018)	—	—
Comprehensive loss attributable to shareholders	$ (24,436)	$ (13,234)	$ (56,296)

The accompanying notes are an integral part of these consolidated financial statements.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Dollars in thousands)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Equity of Non-Controlling Interest	Total Shareholders' Equity
	Number of Shares	Par Value					
BALANCE, February 2, 2019	6,791,934	$ 68	$ 442,808	$ (377,925)	$ —	$ —	$ 64,951
Net loss	—	—	—	(56,296)	—	—	(56,296)
Repurchases of common stock	—	—	—	—	—	—	—
Common stock issuances pursuant to equity compensation awards	225,293	2	(41)	—	—	—	(39)
Share-based payment compensation	—	—	2,204	—	—	—	2,204
Common stock issuances pursuant to business acquisitions	391,000	4	1,852	—	—	—	1,856
Common stock and warrant issuance	800,000	8	6,010	—	—	—	6,018
BALANCE, February 1, 2020	8,208,227	82	452,833	(434,221)	—	—	18,694
Net loss	—	—	—	(13,234)	—	—	(13,234)
Common stock issuances pursuant to equity compensation awards	99,822	1	(14)	—	—	—	(13)
Exercise of warrants	114,698	1	(1)	—	—	—	—
Share-based payment compensation	—	—	1,960	—	—	—	1,960
Common stock and warrant issuance	4,596,314	46	19,597	—	—	—	19,643
BALANCE, January 30, 2021	13,019,061	130	474,375	(447,455)	—	—	27,050
Net loss	—	—	—	(22,008)	—	(1,018)	(23,026)
Common stock issuances pursuant to equity compensation awards	413,626	4	(206)	—	—	—	(202)
Share-based payment compensation - restricted stock	—	—	3,146	—	—	—	3,146
Share-based payment compensation - options	—	—	174	—	—	—	174
Common stock and warrant issuance	8,138,700	81	61,138	—	—	—	61,219
Investment of non-controlling interest	—	—	—	—	—	3,430	3,430
Change in cumulative translation adjustment	—	—	—	—	(2,428)	—	(2,428)
BALANCE, January 29, 2022	21,571,387	$ 216	$ 538,627	$ (469,463)	$ (2,428)	$ 2,412	$ 69,363

The accompanying notes are an integral part of these consolidated financial statements.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the Fiscal Years Ended		
	January 29, 2022	**January 30, 2021**	**February 1, 2020**
OPERATING ACTIVITIES:			
Net loss	$ (23,026)	$ (13,234)	$ (56,296)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:			
Depreciation and amortization	39,361	27,978	12,014
Share-based payment compensation	3,320	1,960	2,204
Inventory impairment write-down	—	—	6,050
Payments for television broadcast rights	(28,969)	(8,567)	—
Amortization of deferred financing costs	1,313	196	201
Loss on debt extinguishment	663	—	—
Changes in operating assets and liabilities:			
Accounts receivable, net	(1,932)	1,643	18,285
Inventories	(23,426)	10,148	(18,816)
Deferred revenue	(142)	98	58
Prepaid expenses and other	(11,069)	1,360	776
Accounts payable and accrued liabilities	(6,069)	(15,351)	29,367
Net cash (used for) provided by operating activities	(49,976)	6,231	(6,157)
INVESTING ACTIVITIES:			
Property and equipment additions	(10,037)	(4,892)	(7,146)
Acquisitions	(100,411)	—	(638)
Vendor exclusivity deposit	(6,000)	—	—
Net cash used for investing activities	(116,448)	(4,892)	(7,784)
FINANCING ACTIVITIES:			
Proceeds from issuance of revolving loan	96,952	26,400	188,100
Proceeds from issuance of common stock and warrants	61,877	20,043	6,000
Proceeds from issuance of term loan	28,500	—	—
Proceeds from issuance of long-term bonds	80,000	—	—
Payments on revolving loan	(77,736)	(39,300)	(188,100)
Payments on term loan	(12,440)	(2,714)	(2,488)
Payments for business acquisition	—	(238)	—
Payments for common stock issuance costs	(659)	(216)	(109)
Payments on finance leases	(86)	(103)	(71)
Payments for restricted stock issuance	(202)	(13)	(39)
Payments for deferred financing costs	(11,191)	—	—
Payments on seller notes	(2,000)	—	—
Payments for debt extinguishment costs	(405)	—	—
Net cash provided by financing activities	162,610	3,859	3,293
Net increase (decrease) in cash and restricted cash	(3,814)	5,198	(10,648)
Effect of exchange rate changes on cash	1,517	—	—
BEGINNING CASH AND RESTRICTED CASH	15,485	10,287	20,935
ENDING CASH AND RESTRICTED CASH	$ 13,188	$ 15,485	$ 10,287

The accompanying notes are an integral part of these consolidated financial statements.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Fiscal Years Ended January 29, 2022, January 30, 2021 and February 1, 2020
(Dollars in thousands, except share and per share information)

(1) The Company

The Company is a leading interactive media company capitalizing on the convergence of entertainment, ecommerce, and advertising. The Company owns a growing, global portfolio of entertainment, consumer brands and media commerce services businesses that cross promote and exchange data with each other to optimize the engagement experiences it creates for advertisers and consumers. The Company's growth strategy revolves around its ability to increase its expertise and scale using interactive video and first-party data to engage customers within multiple business models and multiple sales channels. The Company believes its growth strategy builds on its core strengths and provides an advantage in these marketplaces.

During fiscal 2021, the Company began reporting based on three reportable segments:

- Entertainment, which is comprised of its television networks, ShopHQ, ShopBulldogTV, ShopHQHealth, ShopJewelryHQ and 1-2-3.tv.
- Consumer Brands, which is comprised of Christopher & Banks ("C&B"), J.W. Hulme Company ("JW"), Cooking with Shaquille O'Neal ("Shaq"), OurGalleria.com and TheCloseout.com.
- Media Commerce Services, which is comprised of iMedia Digital Services ("iMDS"), Float Left ("FL") and i3PL.

The corresponding current and prior period segment disclosures have been recast to reflect the current segment presentation. The Entertainment segment accounted for the majority of net sales and gross profit for the year ended January 29, 2022, while the Consumer Brands segment and Media Commerce Services segment accounted for the second and third most net sales and gross profit, respectively, for the year ended January 29, 2022. See Note 11, *Business Segments and Sales by Product Group*.

(2) Summary of Significant Accounting Policies

Fiscal Year

The Company's fiscal year ends on the Saturday nearest to January 31 and results in either a 52-week or 53-week fiscal year. References to years in this report relate to fiscal years, rather than to calendar years. The Company's most recently completed fiscal year, fiscal 2021, ended on January 29, 2022, and consisted of 52 weeks. Fiscal 2020 ended on January 30, 2021 and consisted of52 weeks. Fiscal 2019 ended on February 1, 2020 and consisted of 52 weeks.

Principles of Consolidation

The Company's consolidation policy requires equity investments that the Company exercises significant influence over but do not control the investee and are not the primary beneficiary of the investee's activities to be accounted for using the equity method.

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation.

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (GAAP). The books and records of subsidiaries located in foreign countries are maintained according to generally accepted accounting principles in those countries. Upon consolidation, the Company evaluates the differences in accounting principles and determines whether adjustments are necessary to convert the foreign financial statements to the accounting principles upon which the consolidated financial statements are based. All intercompany transactions have been eliminated.

Reclassification

Certain prior period amounts have been reclassified for consistency with current period presentation.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands, except share and per share information)

Foreign Currency Translation

For most foreign operations, local currencies are considered the functional currency. Assets and liabilities of non-U.S dollar functional currency entities are translated to U.S dollars at fiscal year-end exchange rates and the resulting gains and losses from the translation of net assets located outside the U.S. are recorded as a cumulative translation adjustment, a component of accumulated other comprehensive income (loss) on the consolidated balance sheets. Elements of the consolidated statement of operations are translated at average exchange rates in effect during the fiscal year.

Revenue Recognition

For revenue in the entertainment and consumer brands reporting segments, revenue is recognized when control of the promised merchandise is transferred to customers in an amount that reflects the consideration the Company expects to receive in exchange for the merchandise, which is upon shipment. Revenue is reported net of estimated sales returns, credits and incentives, and excludes sales taxes. Sales returns are estimated and provided for at the time of sale based on historical experience.

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in Accounting Standards Codification ("ASC") 606. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Substantially all of the Company's merchandise sales are single performance obligation arrangements for transferring control of merchandise to customers or providing service to customers.

The Company's merchandise is generally sold with a right of return for up to a certain number of days after the merchandise is shipped and the Company may provide other credits or incentives, which are accounted for as variable consideration when estimating the amount of revenue to recognize. Merchandise returns and other credits including the provision for returns are estimated at contract inception and updated at the end of each reporting period as additional information becomes available.

For revenue in the media commerce services reporting segment, or the Company's services sales, such as digital advertising services and OTT Apps services, are both single and multiple performance obligations arrangements. For services contracts, the Company accounts for individual performance obligations separately if they are distinct. Typical performance obligations are website design, management and performance; maintenance and support services; search services; advertising services; and sale of merchandise. The transaction price for services is allocated to the separate performance obligations on a relative standalone selling price basis. Standalone selling prices of services are typically estimated based on observable transactions when these services are sold on a standalone basis. For revenue in the media advertising services segment, revenue is recognized when the services are provided to the customer, which is generally performed over time. Revenue earned for website design, management and performance and maintenance and support fees is recognized from customers as its obligation to deliver the service is satisfied, which is when the service is delivered. Revenue earned from digital advertising is recognized based on amounts received from advertising customers as the impressions are delivered or the actions occur, according to contractually determined rates. The Company expects payment within 30 to 90 days from the invoice date (fulfillment of performance obligations or per contract terms). Differences between the amount of revenue recognized and the amount invoiced are recognized as deferred revenue. None of the Company's contracts contained a significant financing component.

In accordance with ASC 606-10-50, the Company disaggregates revenue from contracts with customers by significant product groups and timing of when the performance obligations are satisfied. A reconciliation of disaggregated revenue by segment and significant product group is provided in Note 11 – "Business Segments and Sales by Product Group."

The Company evaluated whether it is the principal (i.e., report revenues on a gross basis) or agent (i.e., report revenues on a net basis) in certain vendor arrangements where the merchandise is shipped directly from the vendor to the Company's customer and the purchase and sale of inventory is virtually simultaneous. Generally, the Company is the principal and reports revenues from such vendor arrangements on a gross basis, as it controls the merchandise before it is transferred to the customer. The Company's control is evidenced by it being primarily responsible to the customers, establishing price and its inventory risk upon customer returns. The Company also evaluated whether it is the principal or agent in its contracts for portal and advertising services. Generally, the Company is the principal and reports revenues from such customer contracts

on a gross basis as the Company is primarily responsible for fulfilling the related obligations, bears the risk of collection and establishes pricing.

The Company incurs incremental costs to obtain contracts. As contract terms are generally one year or less, the Company elects the practical expedient to expense these costs as incurred.

Merchandise Returns

For the Company's product sales in the entertainment and consumer brands reporting segments, the Company records a merchandise return liability as a reduction of gross sales for anticipated merchandise returns. The Company estimates and evaluates the adequacy of its merchandise return liability by analyzing historical returns by merchandise category, looking at current economic trends and changes in customer demand and by analyzing the acceptance of new product lines. Assumptions and estimates are made and used in connection with establishing the merchandise return liability in any accounting period. As of January 29, 2022 and January 30, 2021, the Company recorded a merchandise return liability of $8,126 and $5,271, included in accrued liabilities, and a right of return asset of $3,770 and $2,749, included in other current assets.

Shipping and Handling

For the Company's shipping and handling in the entertainment and consumer brands reporting segments, the Company has elected to account for shipping and handling as activities to fulfill the promise to transfer the merchandise. Shipping and handling fees charged to customers are recognized as revenues when the customer obtains control of the merchandise, which is upon shipment. The Company records the related costs for shipping and handling activities at the time of shipment as cost of sales in the accompanying statements of operations.

Sales and VAT Taxes

The Company has elected to exclude from revenue the sales and VAT taxes imposed on its sales and collected from customers.

Accounts Receivable

For its entertainment and consumer brands segments, the Company utilizes an installment payment program called ValuePay that entitles customers to purchase merchandise and generally pay for the merchandise in two or more equal monthly credit card installments. Payment is generally required within 30 to 60 days from the purchase date. The Company has elected the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component when the payment terms are less than one year. Accounts receivable consist primarily of amounts due from customers for merchandise and service sales, receivables from credit card companies, and amounts due from vendors for unsold and returned products and are reflected net of reserves for estimated uncollectible amounts. The Company records accounts receivable at the invoiced amount and does not charge interest on past due invoices A provision for ValuePay bad debts is provided as a percentage of ValuePay receivables in the period of sale and is based on historical experience and the Company's judgments about the creditworthiness of customers based on ongoing credit evaluations. The Company reviews its accounts receivable from customers that are past due to identify specific accounts with known disputes or collectability issues. As of January 29, 2022 and January 30, 2021, the Company had approximately $47,008 and $49,736 of net receivables due from customers under the ValuePay installment program and total reserves for estimated uncollectible amounts of $3,019 and $3,132. 1-2-3.tv receivables totaled approximately $6,011 at January 29, 2022. Regarding the media commerce services segment, receivables related to iMDS were $9,292 at January 29, 2022.

Cost of Sales and Other Operating Expenses

Cost of sales includes primarily the cost of merchandise sold and services provided, shipping and handling costs, inbound freight costs, excess and obsolete inventory charges, distribution facility depreciation, vendor share based payment compensation, revenue sharing, content acquisition costs, co-location facility costs, royalty costs and product support costs. Revenue sharing consists of amounts accrued and paid to customers for the internet traffic on Managed Portals where the Company is the primary obligor, resulting in the generation of search and digital advertising revenue. The revenue-sharing

(Dollars in thousands, except share and per share information)

agreements with customers are primarily variable payments based on a percentage of the search and digital advertising revenue.

Content-acquisition agreements may be based on a fixed payment schedule, on the number of subscribers per month, or a combination of both. Fixed-payment agreements are expensed on a straight-line basis over the term defined in the agreement. Agreements based on the number of subscribers are expensed on a monthly basis. Co-location facility costs consist of rent and operating costs for the Company's data center facilities. Royalty costs consist of amounts due to third parties for the license of their applications or technology sold with or embedded in our email software. Product support costs consist of employee and operating costs directly related to the Company's maintenance and professional services support

Purchasing and receiving costs, including costs of inspection, are included as a component of distribution and selling expense and were approximately $7,788, $5,085 and $8,730 for fiscal 2021, fiscal 2020 and fiscal 2019. Distribution and selling expense consists primarily of cable and satellite access fees, credit card fees, bad debt expense and costs associated with purchasing and receiving, inspection, marketing and advertising, show production, promotional materials, website marketing and merchandising, telemarketing, customer service, warehousing, fulfillment, TV broadcasting and studio operation, share based compensation and compensation-related expenses to the Company's direct sales and marketing personnel. General and administrative expense consists primarily of costs associated with executive, legal, accounting and finance, information systems and human resources departments, software and system maintenance contracts, insurance, investor and public relations, share based compensation and director fees.

Cash

Cash consists of cash on deposit. The Company maintains its cash balances at financial institutions in demand deposit accounts that are federally insured (in the U.S). The Company has not experienced losses in such accounts and believes it is not exposed to any significant credit risk on its cash.

Restricted Cash Equivalents

The Company's restricted cash equivalents consist of demand deposit accounts and are generally restricted for a period ranging from30 to 60 days. Interest income is recognized when earned. The following table provides a reconciliation of cash and restricted cash equivalents reported with the consolidated balance sheets to the total of the same amounts shown in the consolidated statements of cash flows:

	January 29, 2022	January 30, 2021	February 1, 2020
Cash	$ 11,295	$ 15,485	$ 10,287
Restricted cash equivalents	1,893	—	—
Total cash and restricted cash equivalents	$ 13,188	$ 15,485	$ 10,287

Inventories

Inventories, which consists primarily of consumer merchandise held for resale, are stated at the lower of average cost or net realizable value. As of January 29, 2022, January 30, 2021, and February 1, 2020, inventory obsolescence reserves were $8,939 $9,985, and $12,320, respectively. During fiscal 2021, 2020 and 2019, products purchased from one vendor accounted for approximately 16%, 20% and 19% of the Company's consolidated net sales. During fiscal 2021 and 2020, products purchased from a second vendor accounted for approximately 11% and 14% of the Company's consolidated net sales. These two vendors are related parties and additional information is included in Note 19 – "Related Party Transactions."

Marketing and Advertising Costs

Marketing and advertising costs are expensed as incurred and consist primarily of online advertising, including amounts paid to online search engine operators and customer mailings. Total marketing and advertising costs and online search marketing fees totaled $8,717, $3,852 and $4,673 for fiscal 2021, fiscal 2020 and fiscal 2019. The Company includes advertising costs as a component of distribution and selling expense in the Company's consolidated statement of operations.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands, except share and per share information)

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation. Improvements and renewals that extend the life of an asset are capitalized and depreciated. Repairs and maintenance are charged to expense as incurred. The cost and accumulated depreciation of property and equipment retired or otherwise disposed of are removed from the related accounts, and any residual values are charged or credited to operations. Depreciation and amortization for financial reporting purposes are provided on a straight-line method based upon estimated useful lives. Costs incurred to develop software for internal use and for the Company's websites are capitalized and amortized over the estimated useful life of the software. Costs related to maintenance of internal-use software and for the Company's website are expensed as incurred. Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment would be recognized when the carrying amount of an asset or asset group exceeds the future estimated undiscounted cash flows expected to be generated by the asset or asset group. If the carrying amount of the asset or asset group exceeds its estimated future cash flows, an impairment charge is recognized in the amount that the carrying amount of the asset exceeds the fair value of the asset.

Television Broadcast Rights

Television broadcast rights are affiliation agreements with television service providers for carriage of the Company's television programming over their systems, including channel placement rights, which generally run from one to five years. Contract payments are made in installments over terms that are generally equal to or shorter than the contract period. Pursuant to accounting guidance for the broadcasting industry, an asset and a liability for the rights acquired and obligations incurred under a license agreement are reported on the balance sheet when the cost of each television broadcast right is known or reasonably determinable, has been accepted in accordance with the conditions of the agreement, and is available for its first use on the affiliate's system. Television broadcast rights are recorded at the present value of the contract payments and are amortized on a straight-line basis over the lives of the individual agreements. Amortization expense for television broadcast rights is included in depreciation and amortization. Television broadcast rights are evaluated for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. Television broadcast rights to be used within one year are reflected as a current asset in the accompanying consolidated balance sheets. The liability relating to television broadcast rights payable within one year are classified as current in the accompanying consolidated balance sheets. The long-term portion of the obligations is included in other long-term liabilities within the accompanying consolidated balance sheets.

Goodwill

Goodwill represents the excess of purchase price over the value assigned to the net assets, including identifiable intangible assets, of a business acquired. Goodwill is tested for impairment at the reporting unit level. A reporting unit is defined as an operating segment or one level below an operating segment, referred to as a component. A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and segment management regularly reviews the operating results of that component. The Company performs its annual goodwill impairment tests as of the first day of the fourth quarter of the fiscal year or in interim periods if certain events occur indicating that the carrying amount may be impaired, such as changes in the business climate, poor indicators of operating performance or the sale or disposition of a significant portion of a reporting unit.

When testing goodwill, the Company has the option of first performing a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit or indefinite-lived intangible asset is less than their respective carrying amounts as the basis to determine if it is necessary to perform a quantitative impairment test. If the Company chooses not to complete a qualitative assessment, or if the initial assessment indicates that it is more likely than not that the carrying amount of a reporting unit or the carrying amount of an indefinite-lived intangible asset exceed their respective estimated fair values, a quantitative test is required.

In performing a quantitative impairment test, the Company compares the fair value of each reporting unit and with their respective carrying amounts. If the carrying amounts of the reporting unit exceed their respective fair values, an impairment charge is recognized in an amount equal to the difference, limited to the total amount of goodwill allocated to that reporting unit.

There was no impairment of goodwill for the years ended January 29, 2022 and January 30, 2021; however, events such as prolonged economic weakness or unexpected significant declines in operating results of any of our reporting units or businesses, may result in goodwill impairment charges in the future.

Intangible Assets

Identifiable intangibles with finite lives are amortized over their estimated useful lives. Identifiable intangible assets that are subject to amortization are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment test consists of a comparison of the fair value of the intangible asset with its carrying amount.

There was no impairment of intangible assets for the years ended January 29, 2022 and January 30, 2021; however, events such as prolonged economic weakness or unexpected significant declines in operating results of any of our reporting units or businesses, may result in goodwill impairment charges in the future.

Earn-outs

Earn-outs are contingent consideration issued under a business acquisition that is dependent on the future revenues of the business acquired. The Company's earn-outs are not indexed to the Company's stock and are therefore precluded from equity treatment and are recorded as liabilities in the Consolidated Balance Sheets. The Company remeasures the earn-outs at each reporting period based on the amount the Company expects to pay, with any changes being recorded in the Consolidated Statements of Operations.

Stock-Based Compensation

Compensation is recognized for all stock-based compensation arrangements by the Company, including employee and non-employee stock option and restricted stock unit grants. The estimated grant date fair value of each stock-based award is recognized as compensation over the requisite service period, which is generally the vesting period. Stock-based compensation expense is recognized net of forfeitures, which the Company estimates based on historical data. The estimated fair value of each option is calculated using the Black-Scholes option-pricing model for time-based vesting awards and a Monte Carlo valuation model for market-based vesting awards. The estimated fair value of restricted stock grants is based on the grant date closing price of the Company's stock for time-based vesting awards and a Monte Carlo valuation model for market-based vesting awards.

Income Taxes

The Company accounts for income taxes under the liability method of accounting whereby deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between financial statement and tax basis of assets and liabilities. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of the enactment of such laws. The Company assesses the recoverability of its deferred tax assets and records a valuation allowance when it is more likely than not some portion of the deferred tax asset will not be realized.

The Company recognizes interest and penalties related to uncertain tax positions within income tax expense.

The Company accounts for uncertain tax positions using a more-likely-than-not recognition threshold based on the technical merits of the tax position taken. Tax benefits that meet the more-likely-than-not recognition threshold should be measured as the largest amount of tax benefits, determined on a cumulative probability basis, which is more likely than not to be realized upon ultimate settlement in the financial statements. As of January 29, 2022, and January 30, 2021, accrued interest or penalties related to uncertain tax positions was insignificant.

Accumulated Other Comprehensive Loss

Comprehensive loss is comprised of net loss and all changes to the statements of stockholders' equity. Accumulated other comprehensive loss as of January 29, 2022 consists of foreign currency translation adjustments. There was no accumulated other comprehensive income or loss as of January 30, 2021.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands, except share and per share information)

Net Loss Per Common Share

Basic net loss per share is computed by dividing reported loss by the weighted average number of shares of common stock outstanding for the reported period. Diluted net income per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock of the Company during reported periods and is calculated using the treasury method.

A reconciliation of net loss per share calculations and the number of shares used in the calculation of basic net loss per share and diluted net loss per share is as follows:

	For the Years Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Numerator:			
Net loss attributable to shareholders	$ (22,008)	$ (13,234)	$ (56,296)
Earnings allocated to participating share awards	—	—	—
Net loss attributable to common shares — Basic and diluted	$ (22,008)	$ (13,234)	$ (56,296)
Denominator:			
Weighted average number of common shares outstanding — Basic (a)	19,362,062	10,745,916	7,462,380
Dilutive effect of stock options, non-vested shares and warrants (b)	—	—	—
Weighted average number of common shares outstanding — Diluted	19,362,062	10,745,916	7,462,380
Net loss per common share	$ (1.14)	$ (1.23)	$ (7.54)
Net loss per common share — assuming dilution	$ (1.14)	$ (1.23)	$ (7.54)

(a) During fiscal 2018, the Company issued a restricted stock award that is a participating security. For fiscal 2021, fiscal 2020 and fiscal 2019, the entire undistributed loss is allocated to common shareholders.

(b) For fiscal 2020, the basic earnings per share computation included21,000 outstanding fully paid warrants to purchase shares of the Company's common stock at a price of $0.001 per share.

(c) For fiscal 2021, fiscal 2020 and fiscal 2019, there were approximately960,000, 591,000 and 46,000 incremental, in-the-money, potentially dilutive common shares outstanding. The incremental in-the-money potentially dilutive common stock shares are excluded from the computation of diluted earnings per share, as the effect of their inclusion would be anti-dilutive.

Fair Value of Financial Instruments

GAAP requires disclosures of fair value information about financial instruments for which it is practicable to estimate that value. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases, could not be realized in immediate settlement of the instrument. GAAP excludes certain financial instruments and all non-financial instruments from its disclosure requirements.

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. To increase the comparability of fair value measures, GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs to valuation methodologies used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). These tiers consist of:

- Level 1 – Defined as observable inputs, such as quoted prices (unadjusted), for identical instruments in active markets;

- Level 2 – Defined as inputs other than quoted prices in active markets that are either directly or indirectly observable, such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3 – Defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

In some circumstances, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In those instances, the fair value measurement is categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

The Company used the following methods and assumptions in estimating its fair values for financial instruments. The carrying amounts reported in the accompanying consolidated balance sheets approximate the fair value for cash, short-term investments, accounts receivable, trade payables and accrued liabilities, due to the short maturities of those instruments. The fair value of the Company's variable rate Siena Lending Group, GreenLake Real Estate Finance LLC, and PNC Credit facilities, approximates, and is based on, their carrying value due to the variable rate nature of the financial instrument. The additional disclosures regarding the Company's fair value measurements are included in Note 8 – "Fair Value Measurements."

Fair Value Measurements on a Nonrecurring Basis

Assets and liabilities that are measured at fair value on a nonrecurring basis relate primarily to the Company's tangible fixed assets and finite-lived intangible assets. These assets and liabilities are recorded at fair value only if an impairment is recognized in the current period. If the Company determines that impairment has occurred, the carrying value of the asset is reduced to fair value and the difference is recorded as a loss within operating income in the consolidated statement of operations. The Company had no remeasurements of such assets or liabilities to fair value during fiscal 2021, fiscal 2020 or fiscal 2019.

Use of Estimates

The preparation of financial statements in conformity with GAAP in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during reporting periods. These estimates relate primarily to the carrying amounts of accounts receivable and inventories, the realizability of certain long-term assets and the recorded balances of certain accrued liabilities and reserves. Ultimate results could differ from these estimates.

Recently Adopted Accounting Standards

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-15 *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract* (ASU 2018-15), which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The Company adopted this standard during the first quarter of fiscal 2020 on a prospective basis. The adoption of ASU 2018-15 did not have a material impact on the Company's consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, and subsequent related ASUs, ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments* and ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*. Among other provisions, this guidance introduces a new impairment model for most financial assets and certain other instruments. For trade and other receivables, held-to-maturity debt securities, loans and other instruments, entities will be required to use a forward-looking "expected loss" model that will replace the current "incurred loss" model that will generally result in the earlier recognition

of allowances for losses. The Company adopted this guidance during the first quarter of fiscal 2021 on a prospective basis. The adoption of the ASU 2016-13 and subsequent amendments did not have a material impact on the Company's consolidated financial statements.

On December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740) – Simplifying the Accounting for Income Taxes*, which removes certain exceptions to the general principles in Topic 740 and simplifies the accounting for income taxes. This ASU is effective for the Company on January 29, 2022, with early adoption permitted. The Company will adopt this new accounting standard effective January 29, 2022. The adoption of ASU 2019-12 did not have a material impact on the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This update provides optional expedients and exceptions for applying generally accepted accounting principles to certain contract modifications and hedging relationships that reference London Inter-bank Offered Rate (LIBOR) or another reference rate expected to be discontinued. Topic 848 is effective upon issuance and generally can be applied through December 31, 2022. In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848)*, which refines the scope of Topic 848 and clarifies some of its guidance. Specifically, certain provisions in Topic 848, if elected by an entity, apply to derivative instruments that use an interest rate for margining, discounting, or contract price alignment that is modified as a result of reference rate reform. Amendments to the expedients and exceptions in Topic 848 capture the incremental consequences of the scope clarification and tailor the existing guidance to derivative instruments affected by the discounting transition. The amendments are effective immediately for all entities. An entity may elect to apply the amendments on a full retrospective basis. The Company has not adopted any of the optional expedients or exceptions through January 29, 2022, but the Company will continue to evaluate the possible adoption of any such expedients or exceptions.

In January 2017, the FASB issued ASU 2017-04, *Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. This new guidance eliminates the requirement to calculate the implied fair value of goodwill to measure a goodwill impairment charge. Instead, entities will record an impairment charge based on the excess of a reporting unit's carrying amount over its fair value. The changes are effective for smaller reporting companies for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, and early adoption is permitted. The Company is currently evaluating the impact that this guidance will have on its consolidated financial statements.

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Liabilities from Contracts with Customers*, which provides guidance to improve the accounting for acquired revenue contracts with customers in a business combination by addressing diversity in practice. This ASU is effective for the Company on January 29, 2023, with early adoption permitted, and shall be applied on a prospective basis to business combinations that occur on or after the adoption date. The Company is evaluating the effect that the implementation of this standard may have on the Company's consolidated financial statements, but does not currently expect the impact to be material.

In November 2021, the FASB issued ASU 2021-10, *Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance*, which provides guidance to increase the transparency of government assistance transactions with business entities that are accounted for by applying a grant or contribution accounting model. This ASU is effective for the Company's annual financial statements to be issued for the year ended January 28, 2023, with early adoption permitted. The Company expects to adopt this new accounting standard in its Annual Report on Form 10-K for the year ended January 28, 2023, and does not expect the adoption of this standard to have a material impact on the Company's consolidated financial statements.

iMEDIA BRANDS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands, except share and per share information)

(3) Property and Equipment

Property and equipment in the accompanying consolidated balance sheets consisted of the following:

	Estimated Useful Life (In Years)	January 29, 2022	January 30, 2021
Land and improvements	—	$ 3,460	$ 3,236
Buildings and leasehold improvements	3-40	44,726	42,441
Transmission and production equipment	5-10	8,397	8,188
Office and warehouse equipment	3-15	21,602	18,519
Computer hardware, software and telephone equipment	3-10	102,951	91,561
		181,136	163,945
Less — Accumulated depreciation		(132,911)	(121,957)
		$ 48,225	$ 41,988

Depreciation expense in fiscal 2021, fiscal 2020 and fiscal 2019 was $11,018, $10,662 and $10,661.

(4) Television Broadcast Rights

Television broadcast rights in the accompanying consolidated balance sheets consisted of the following:

	January 29, 2022	January 30, 2021
Television broadcast rights	$ 146,200	$ 43,655
Less accumulated amortization	(43,858)	(16,902)
Television broadcast rights, net	$ 102,342	$ 26,753

During fiscal 2021 and 2020, the Company entered into certain affiliation agreements with television service providers for carriage of the Company's television programming over their systems, including the rights for channel placements. These rights provide the Company with a channel position on the service provider's channel line-up, or television broadcast rights. The Company recorded additional television broadcast rights of $102,545 and $43,655 during fiscal 2021 and fiscal 2020, which represents the present value of payments for the television broadcast rights. Television broadcast rights are amortized on a straight-line basis over the lives of the individual agreements. The remaining weighted average lives of the television broadcast rights was 4.4 years and 1.4 years as of January 29, 2022, and January 30, 2021. Amortization expense related to the television broadcast rights was $26,956 for fiscal 2021 and $16,902 for fiscal 2020 and is included in depreciation and amortization within the consolidated statements of operations.

The table below presents the estimated future amortization expense of television broadcast rights as of January 29, 2022, by fiscal year:

2022	$ 27,521
2023	20,493
2024	20,493
2025	20,493
2026	13,342
Thereafter	—
Total	$ 102,342

The liability relating to the television broadcast rights was $113,189 and $36,530 as of January 29, 2022, and January 30, 2021, of which $31,921 and $29,173 was classified as current in the accompanying consolidated balance sheets. The long-term portion of the obligations is included in other long-term liabilities within the accompanying consolidated balance sheets. Interest expense related to the television broadcast rights obligation was $3,081 during fiscal 2021 and $1,443 during fiscal 2020.

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In addition to the broadcast rights, the Company's affiliation agreements generally provide that it will pay each operator a monthly access fee, most often based on the number of homes receiving the Company's programming, and in some cases marketing support payments. Monthly access fees are expensed as distribution and selling expense within the consolidated statement of operations. See Note 16 – "Commitments and Contingencies" for additional information regarding the Company's cable and satellite distribution agreements.

(5) Goodwill and Intangible Assets

Goodwill

The following table presents the changes in goodwill during the year ended January 29, 2022:

Balance, January 30, 2021	$ —
Goodwill acquired	101,852
Foreign currency translation adjustment	(2,802)
Balance, January 29, 2022	$ 99,050

Finite-lived Intangible Assets

Finite-lived intangible assets in the accompanying consolidated balance sheets consisted of the following:

		January 29, 2022			January 30, 2021		
	Estimated Useful Life (In Years)	Gross Carrying Amount	Accumulated Amortization	Net Amount	Gross Carrying Amount	Accumulated Amortization	Net Amount
Trademarks and Trade Names	15	$ 14,462	$ (451)	$ 14,011	$ 1,568	$ (124)	$ 1,444
Technology	4-9	6,524	(752)	5,772	772	(228)	544
Customer Lists and Relationships	3-14	8,689	(619)	8,070	339	(93)	246
Vendor Exclusivity	5	193	(106)	87	192	(67)	125
Total finite-lived intangible assets		$ 29,868	$ (1,928)	$ 27,940	$ 2,871	$ (512)	$ 2,359

Intangible Assets, net in the accompanying balance sheets consist of the trade names, technology, customer lists and a vendor exclusivity agreement, as discussed in the following paragraphs. Amortization expense related to the finite-lived intangible assets was $1,416, $415 and $1,353 for 2021, 2020 and 2019, respectively.

The table below presents the estimated future amortization expense of finite-lived intangible assets as of January 29, 2022, by fiscal year:

2022	$ 3,223
2023	3,165
2024	2,968
2025	2,707
2026	2,002
Thereafter	13,875
Total	$ 27,940

In November 2021, the Company completed the acquisition of all the used and outstanding equity interests of 1-2-3.tv Invest GmbH and 1-2-3.tv Holding GmbH ("1-2-3.tv"). The intangible assets acquired through the acquisition include the 1-2-3.tv trademark, developed technology, customer relationships and goodwill valued at $13,172, $3,813, $3,466, and $72,555, respectively. The trade name, developed technology and customer relationships will be amortized over their estimated useful lives of fifteen, nine and four years, respectively.

In July 2021, the Company completed the acquisition of Synacor's Portal and Advertising business segment. The intangible assets acquired through the acquisition include the Synacor developed technology, the Synacor customer

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relationships and goodwill at a value of $1,050, $4,600 and $24,250, respectively. The developed technology and customer relationships will be amortized over their estimated useful lives of seven and fourteen years, respectively.

In March 2021, the Company acquired all of the assets of Christopher & Banks, LLC ("C&B"). The intangible assets acquired through the business combination include the C&B developed technology, customer relationships and goodwill valued at $890, $400 and $3,307, respectively. The developed technology and customer relationships will be amortized over their estimated useful lives of seven and five years, respectively.

In February 2021, the Company became a controlling member under a limited liability company agreement for TCO, LLC, a Delaware LLC newly created to operate a joint venture between the Company and LAKR Ecomm Group LLC ("LAKR"). The joint venture will operate TheCloseout.com. The intangible assets acquired through the business combination include the TCO developed technology, trade name and goodwill valued at $110, $180 and $1,740, respectively. The developed technology and trade name will be amortized over their estimated useful lives of seven and fifteen years, respectively

In November 2019, the Company completed the acquisition of Float Left Interactive, Inc. ("Float Left"). The intangible assets acquired through the business combination include the Float Left developed technology, the Float Left customer relationships and the Float Left trade name valued at $772, $253 and $88, respectively, and are being amortized over their estimated useful lives of four, five and fifteen years, respectively.

In November 2019, the Company completed the acquisition of J.W. Hulme Company ("J.W. Hulme"). The intangible assets acquired through the business combination include the J.W. Hulme trade name and J.W. Hulme customer list valued at $1,480 and $86 and are being amortized over their estimated useful lives of fifteen and three years. See Note 13 – "Business Acquisitions" for additional information.

In May 2019, the Company entered into a five-year vendor exclusivity agreement with Sterling Time, LLC ("Sterling Time") and Invicta Watch Company of America, Inc. ("IWCA") in connection with the closing under the private placement securities purchase agreement described in Note 10 below. The vendor exclusivity agreement grants the Company the exclusive right in television shopping to market, promote and sell the products from IWCA. The Company issued five-year warrants to purchase 350,000 shares of our common stock in connection with and as consideration for primarily entering into a vendor exclusivity agreement with the Company, which represented an aggregate value of $193. The vendor exclusivity agreement is being amortized as cost of sales over thefive-year agreement term. See Note 10 – "Shareholders' Equity" for additional information.

In May 2019, the Company announced the decision to change the name of the Evine network back to ShopHQ, which was the name of the network in 2014. The remaining carrying amount of the Evine trademark was amortized prospectively over the revised remaining useful life through August 21, 2019, the date of the network name change.

(6) Accrued Liabilities

Accrued liabilities in the accompanying consolidated balance sheets consisted of the following:

	January 29, 2022	January 30, 2021
Allowance for sales returns	$ 8,126	$ 5,271
Accrued cable access fees	7,290	11,150
Accrued payroll and related	6,149	4,183
Accrued freight expenses	3,961	3,197
Accrued operating expenses	2,815	2,920
Accrued inventory-in-transit	2,710	158
Accrued advertising expenses	2,795	—
Accrued transaction costs	2,405	—
Other accrued expenses	8,137	2,630
Total accrued liabilities	$ 44,388	$ 29,509

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(7) Private Label Consumer Credit Card Program

The Company has a private label consumer credit card program (the "Program"). The Program is made available to all qualified consumers in the entertainment and consumer brands to finance purchases and provides benefits including instant purchase credits, free or reduced shipping promotions throughout the year and promotional low-interest financing on qualifying purchases. Use of this credit card enhances customer loyalty, reduces total credit card expense and reduces the Company's overall bad debt exposure since the credit card issuing bank bears the risk of loss on the credit card transactions except those in the Company's ValuePay installment payment program. In April 2021, the Company extended the Program through August 2022 by entering into a Private Label Consumer Credit Card Program Agreement Amendment with Synchrony Financial, the issuing bank for the Program. Approximately 19%, 19% and 21% of entertainment and consumer brands reporting segment customer purchases were paid for using our private label consumer credit card during fiscal 2021, 2020 and 2019.

(8) Fair Value Measurements

GAAP utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to observable quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1 measurement), then priority to quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market (Level 2 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The valuation for the 8.50% Senior unsecured notes is based on the quoted prices in active markets for identical assets, a Level 1 input. The 8.50% Senior unsecured notes (ticker: IMBIL) are traded on the Nasdaq stock exchange, which the Company considers to be an "active market," as defined by U.S. GAAP. Therefore, these Notes are measured based on quoted prices in an active market and included as Level 1 fair value instruments in the table below.

The carrying amounts of the Siena revolving loan and PNC revolving loan approximate their fair values as their variable interest rates are based on prevailing market rates, which are a Level 2 input. The carrying amounts of the GreenLake Real Estate financing term loan, seller notes, and PNC term loan reasonably approximate their fair values because their interest rates are similar to market rates for similar instruments, which are Level 2 inputs.

The Company's financial instruments are listed with their fair values below:

	Fair Value Measurements at January 29, 2022			
	Total	Level 1	Level 2	Level 3
Liabilities:				
Siena revolving loan	$ 60,216	$ —	$ 60,216	$ —
8.5% Senior unsecured notes (IMBIL)	70,176	70,176	—	—
GreenLake Real Estate financing term loan	28,500	—	28,500	—
Seller notes	29,354	—	29,354	—

	Fair Value Measurements at January 30, 2021			
	Total	Level 1	Level 2	Level 3
Liabilities:				
PNC revolving loan	$ 53,380	$ —	$ 53,380	$ —
PNC term loan	12,441	—	12,441	—

The Company entered into a foreign currency forward contract on October 26, 2021, designed as a cash flow hedge, to reduce the short-term effects of foreign currency fluctuations on their investment in 1-2-3.tv. The forward contract was settled on November 2, 2021 and a loss of approximately $90 was realized in 2021. As of January 29, 2022, the Company did not have any foreign currency forward contracts outstanding.

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(9) Credit Agreements

The Company's credit agreements consist of:

	January 29, 2022	January 30, 2021
Long-term credit facility:		
Siena revolving loan due July 31, 2024, principal amount	$ 60,216	$ —
PNC revolving loan due July 27, 2023, principal amount, extinguished in July 2021	—	41,000
Total long-term credit facility	60,216	41,000
8.5% Senior Unsecured Notes, due 2026, principal amount	80,000	—
GreenLake Real Estate Financing term loan due July 31, 2024, principal amount	28,500	—
PNC term loan due July 27, 2023, principal amount, extinguished in July 2021	—	12,441
Seller notes:		
Seller note due in annual installments, maturing in November 2023, principal amount	20,062	—
Seller note due in quarterly installments, maturing in December 2023, principal amount	8,000	—
Total seller notes	28,062	—
Total debt	196,778	53,441
Less: unamortized debt issuance costs	(7,607)	(61)
Plus: unamortized debt premium	1,292	—
Total carrying amount of debt	190,463	53,380
Less: current portion of long-term debt	(14,031)	(2,714)
Long-term debt, net	$ 176,432	$ 50,666

The Company's foreign subsidiary, 1-2-3.tv has available unsecured lines of credit with Deutsche Bank AG and Bank für Tirol und Vorarlberg AG in the amount of EUR 2,000 (approximately $2,229 based on the January 29, 2022 exchange rate). Borrowings, if any, bear interest at 4.00% variable or the Euro Interbank Offered Rate (EURIBOR) plus 1.55%, per annum. As of January 29, 2022, no balances are outstanding under those credit facilities.

Extinguishment of PNC Credit Facility

On February 9, 2012, the Company entered into a credit and security agreement (as amended through February 5, 2021, the "PNC Credit Facility") with PNC Bank, N.A. ("PNC"), a member of The PNC Financial Services Group, Inc., as lender and agent. The PNC Credit Facility, which included CIBC Bank USA (formerly known as The Private Bank) as part of the facility, provided a revolving line of credit of $70,000 and provided for a term loan on which the Company had originally drawn to fund improvements at the Company's distribution facility in Bowling Green, Kentucky and subsequently to pay down the Company's previously outstanding GACP Term Loan (as defined below). The PNC Credit Facility also provided an accordion feature that would allow the Company to expand the size of the revolving line of credit by another $20,000 at the discretion of the lenders and upon certain conditions being met. Maximum borrowings and available capacity under the revolving line of credit under the PNC Credit Facility were equal to the lesser of $70,000 or a calculated borrowing base comprised of eligible accounts receivable and eligible inventory.

Interest expense recorded under the PNC Credit Facility was $1,558, $3,497, and $3,758 for fiscal 2021, fiscal 2020, and fiscal 2019, respectively.

In July 2021, the Company terminated and repaid all amounts outstanding under the PNC Credit Facility term loan and revolving loan agreement. The aggregate amount paid to the lenders under the PNC Credit Facility was $405. As a result of the termination of the PNC Credit Facility, the Company recorded a $663 loss on extinguishment of debt in 2021.

8.50% Senior Unsecured Notes

On September 28, 2021, the Company completed and closed on its $80,000 offering of 8.50% Senior Unsecured Notes due 2026 (the "Notes") and issued the Notes. The Company received related net proceeds of $73,700 after deducting the

underwriting discount and estimated offering expenses payable by the Company (including fees and reimbursements to the underwriters). The Notes were issued under an indenture, dated September 28, 2021 (the "Base Indenture"), between the Company and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by the First Supplemental Indenture, dated September 28, 2021 (the "Supplemental Indenture," and the Base Indenture as supplemented by the Supplemental Indenture, the "Indenture"), between the Company and the Trustee. The Notes were denominated in denominations of $25.00 and integral multiples of $25.00 in excess thereof.

The Notes pay interest quarterly in arrears on March 31, June 30, September 30 and December 31 of each year, commencing on December 31, 2021, at a rate of 8.50% per year, and will mature on September 30, 2026.

The Notes are the senior unsecured obligations of the Company. There is no sinking fund for the Notes. The Notes are the obligations of iMedia Brands, Inc. only and are not obligations of, and are not guaranteed by, any of the Company's subsidiaries. The Company may redeem the Notes for cash in whole or in part at any time at its option (i) on or after September 30, 2023 and prior to September 30, 2024, at a price equal to $25.75 per note, plus accrued and unpaid interest to, but excluding, the date of redemption, (ii) on or after September 30, 2024 and prior to September 30, 2025, at a price equal to $25.50 per note, plus accrued and unpaid interest to, but excluding, the date of redemption, and (iii) on or after September 30, 2025 and prior to maturity, at a price equal to $25.25 per note, plus accrued and unpaid interest to, but excluding, the date of redemption. The Indenture provides for events of default that may, in certain circumstances, lead to the outstanding principal and unpaid interest of the Notes becoming immediately due and payable. If a Mandatory Redemption Event (as defined in the Supplemental Indenture) occurs, the Company will have an obligation to redeem the Notes, in whole but not in part, within 45 days after the occurrence of the Mandatory Redemption Event at a redemption price in cash equal to $25.50 per note plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

The Company used all of the net proceeds from the offering to fund its closing cash payment in connection with the acquisition of 1-2-3.tv Invest GmbH and 1-2-3.tv Holding GmbH and any remaining proceeds for working capital and general corporate purposes, which may include payments related to the acquisition.

The offering was made pursuant to an effective shelf registration statement filed with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act") on August 5, 2021 and declared effective by the Commission on August 12, 2020 (File No. 333-258519), a base prospectus included as part of the registration statement, and a prospectus supplement, dated September 23, 2021, filed with the SEC pursuant to Rule 424(b) under the Securities Act.

Interest expense recorded under the 8.50% Senior Unsecured Notes was $2,712 for the year ended January 29, 2022.

Debt issuance costs, net of amortization, relating to the revolving line of credit were $5,925 and $0 as of January 29, 2022, and January 30, 2021, respectively and are included as a direct reduction to the 8.50% Senior Unsecured Notes liability balance within the accompanying consolidated balance sheets. The balance of these costs is being expensed as additional interest over the five-year term of the 8.50% Senior Unsecured Notes at an effective interest rate of 10.1%.

Siena Credit Facility

On July 30, 2021, the Company and certain of its subsidiaries, as borrowers, entered into a loan and security agreement (as amended through September 20, 2021, the "Loan Agreement") with Siena Lending Group LLC and the other lenders party thereto from time to time, Siena Lending Group LLC, as agent (the "Agent"), and certain additional subsidiaries of the Company, as guarantors thereunder. The Loan Agreement has a three-year term and provides for up to a $80,000 revolving line of credit. Subject to certain conditions, the Loan Agreement also provides for the issuance of letters of credit in an aggregate amount up to $5,000 which, upon issuance, would be deemed advances under the revolving line of credit. Proceeds of borrowings were used to refinance all indebtedness owing to PNC Bank, National Association, to pay the fees, costs, and expenses incurred in connection with the Loan Agreement and the transactions contemplated thereby, for working capital purposes, and for such other purposes as specifically permitted pursuant to the terms of the Loan Agreement. The Company's obligations under the Loan Agreement are secured by substantially all of its assets and the assets of its subsidiaries as further described in the Loan Agreement.

On September 20, 2021, the parties to the Loan and Security Agreement entered into a First Amendment to the Loan Agreement (the "First Amendment"), which revised the agreement to consent to and add the acquired entities of the 1-2-3.tv

acquisition as well as consent to the Bond Indenture. The parties also revised the definitions pertaining to "Consolidated Adjusted EBITDA" to include all Loan Parties defined in the agreement in the Senior Net Leverage Ratio, as well as clarifying the measurement thresholds pertaining to Minimum Liquidity.

On December 27, 2021, the Company entered into a Second Amendment to the Loan Agreement (the "Second Amendment"). The Second Amendment extends the deadline for the minimum liquidity calculation by 30 days. The Second Amendment did not modify or change any other terms and conditions of the Loan Agreement.

On February 25, 2022, the Company executed a Third Amendment to the Loan Agreement (the "Third Amendment"), which further defines how assets and liabilities are exchanged between 1-2-3.tv in Germany and Company in U.S., replaces LIBOR with SOFR, the secured overnight financing rate as administered by the Federal Reserve Bank of New York, which is not expected to have a material impact on our borrowing costs, and changes the date for the Q1 measurement date for the Company's net debt ratio calculation to April 30, 2022.

On April 18, 2022, the parties to the Loan and Security Agreement entered into a Fourth Amendment to the Loan Agreement (the "Fourth Amendment"), which revised the agreement to consent to enter into a Securities Purchase Agreement and sell to Investor a convertible promissory note. Additional information contained in Note 22 – "Subsequent Events" in the notes to our consolidated financial statements.

Subject to certain conditions, borrowings under the Loan Agreement as of January 29, 2022 bear interest at 4.50% plus the London interbank offered rate for deposits in dollars ("LIBOR") for a period of 30 days as published in The Wall Street Journal three business days prior to the first day of each calendar month. There is a floor for LIBOR of 0.50%. If LIBOR is no longer available, a successor rate to be chosen by the Agent in consultation with the Company or a base rate.

The Loan Agreement contains customary representations and warranties and financial and other covenants and conditions, including, among other things, minimum liquidity requirements. The Company is also subject to a maximum senior net leverage ratio. In addition, the Loan Agreement places restrictions on the Company's ability to incur additional indebtedness or prepay existing indebtedness, to create liens or other encumbrances, to sell or otherwise dispose of assets, to merge or consolidate with other entities, and to make certain restricted payments, including payments of dividends to shareholders. The Company also pays a monthly fee at a rate equal to 0.50% per annum of the average daily unused amount of the credit facility for the previous month.

As of January 29, 2022, the Company had total borrowings of $60,216 under its revolving line of credit with the Agent. Remaining available capacity under the revolving line of credit as of January 29, 2022, was approximately $11,400, which provided liquidity for working capital and general corporate purposes. As of January 29, 2022, the Company was in compliance with applicable financial covenants of the Siena Credit Facility and expects to be in compliance with applicable financial covenants over the next twelve months.

Interest expense recorded under the Siena Credit Facility was $1,746 for the year ended January 29, 2022.

Deferred financing costs, net of amortization, relating to the revolving line of credit were $2,411 and $0 as of January 29, 2022, and January 30, 2021, respectively and are included within other assets within the accompanying consolidated balance sheets. The balance of these costs is being expensed as additional interest over the three-year term of the Siena Loan Agreement.

GreenLake Real Property Financing

On July 30, 2021, two of the Company's subsidiaries, VVI Fulfillment Center, Inc. and EP Properties, LLC (collectively, the "Borrowers"), and the Company, as guarantor, entered into that certain Promissory Note Secured by Mortgages (the "GreenLake Note") with GreenLake Real Estate Finance LLC ("GreenLake") whereby GreenLake agreed to make a secured term loan (the "Term Loan") to the Borrowers in the original amount of $28,500. The GreenLake Note is secured by, among other things, mortgages encumbering the Company's owned properties in Eden Prairie, Minnesota and Bowling Green, Kentucky (collectively, the "Mortgages") as well as other assets as described in the GreenLake Note. Proceeds of borrowings shall be used to (i) pay fees and expenses related to the transactions contemplated by the GreenLake Note, (ii) make certain payments approved by GreenLake to third parties, and (iii) provide for working capital and general corporate purposes of the Company. The Company has also pledged the stock that it owns in the Borrowers to secure its guarantor obligations.

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The GreenLake Note is scheduled to mature on July 31, 2024. The borrowings, which include all amounts advanced under the GreenLake Note, bear interest at 10.00% per annum or, at the election of the GreenLake upon no less than30 days prior written notice to the Borrowers, at a floating rate equal to the prime rate plus 200 basis points.

The Borrowers may prepay the GreenLake Note in full (but not in part) before July 30, 2022 (the "Lockout Date") upon payment of a prepayment premium equal to the amount of interest that would have accrued from the date of prepayment through the Lockout Date. After the Lockout Date, the GreenLake Note may be prepaid in full or in any installment greater than or equal to $100 without any prepayment penalty or premium on 90 days' prior written notice from Borrowers to GreenLake.

The GreenLake Note contains customary representations and warranties and financial and other covenants and conditions, including, a requirement that the Borrowers comply with all covenants set forth in the Loan Agreement described above. The GreenLake Note also contains certain customary events of default.

As of January 29, 2022, there was $28,500 outstanding under the Term Loan with GreenLake, all of which was classified as long-term in the accompanying condensed consolidated balance sheet. Principal borrowings under the term loan are non-amortizing over the life of the loan.

Interest expense recorded under the GreenLake Note was $1,793 for the year ended January 29, 2022.

Debt issuance costs, net of amortization, relating to the GreenLake Note were $1,682 and $0 as of January 29, 2022, and January 30, 2021, respectively and are included as direct reductions to the GreenLake Note liability balance within the accompanying consolidated balance sheets. The balance of these costs is being expensed as additional interest over the three-year term of the GreenLake Note at an effective interest rate of 11.4%.

Seller Notes

On November 5, 2021 the Company issued a $20,800 seller note as a component of consideration for the acquisition of 1-2-3.tv. The seller note is payable annually in two equal installments in November 2022 and November 2023. The seller note bears interest at a rate of8.50%. $20,062 is outstanding as of January 29, 2022. Interest expense recorded under the seller note was $406 for the year ended January 29, 2022.

On July 30, 2021, the Company issued a $10,000 seller note as a component of consideration for the acquisition of Synacor's Portal and Advertising business. The seller note is payable in $1,000 quarterly installments, maturing on December 31, 2023. The seller note bears interest at rates between 6% and 11% depending upon the period outstanding. $8,000 is outstanding as of January 29, 2022. Interest expense recorded under the seller note was $278 for the year ended January 29, 2022.

Maturities

The aggregate maturities of the Company's credit agreements as of January 29, 2022 are as follows:

Fiscal year	Seller Notes	GreenLake Real Estate Financing Term Loan	Siena Revolving Loan	8.5% Senior Unsecured Notes	Total
2022	$ 14,031	$ —	$ —	$ —	$ 14,031
2023	14,031	—	—	—	14,031
2024	—	28,500	60,216	—	88,716
2025	—	—	—	—	—
2026	—	—	—	80,000	80,000
Total amount due	$ 28,062	$ 28,500	$ 60,216	$ 80,000	$ 196,778
Less: unamortized debt issuance costs	—	(1,682)	—	(5,925)	(7,607)
Plus: unamortized debt premium	1,292	—	—	—	1,292
Total carrying amount of debt	$ 29,354	$ 26,818	$ 60,216	$ 74,075	$ 190,463

Cash Requirements

Currently, the Company's principal cash requirements are to fund business operations and debt service, which consist primarily of purchasing inventory for resale, funding ValuePay installment receivables, funding the Company's basic operating expenses, particularly the Company's contractual commitments for cable and satellite programming distribution, funding debt service payments and the funding of necessary capital expenditures. The Company closely manages its cash resources and working capital. The Company attempts to manage its inventory receipts and reorders in order to ensure its inventory investment levels remain commensurate with the Company's current sales trends. The Company also monitors the collection of its credit card and ValuePay installment receivables and manages vendor payment terms in order to more effectively manage the Company's working capital which includes matching cash receipts from the Company's customers to the extent possible with related cash payments to the Company's vendors. ValuePay remains a cost-effective promotional tool for the Company. The Company continues to make strategic use of its ValuePay program in an effort to increase sales and to respond to similar competitive programs.

The Company's ability to fund operations, debt service and capital expenditures in the future will be dependent on its ability to generate cash flow from operations, maintain or improve margins and to use available funds from its Siena Loan Agreement. The Company's ability to borrow funds is dependent on its ability to maintain an adequate borrowing base and its ability to meet its credit facility's covenants (as described above). Accordingly, if the Company does not generate sufficient cash flow from operations to fund its working capital needs, debt service payments and planned capital expenditures and meet credit facility covenants, and its cash reserves are depleted, the Company may need to take actions that are within the Company's control, such as further reductions or delays in capital investments, additional reductions to the Company's workforce, reducing or delaying strategic investments or other actions. The Company believes that it is probable its existing cash balances and its availability under the Siena Loan Agreement, will be sufficient to fund the Company's normal business.

(10) Shareholders' Equity

Common Stock

The Company is authorized to issue 29,600,000 shares of common stock. As of January 29, 2022,21,571,387 shares of common stock were issued and outstanding. The board of directors may establish new classes and series of capital stock by resolution without shareholder approval; however, in certain circumstances the Company is required to obtain approval under the Company's Siena Loan Agreement.

Preferred Stock

The Company has authorized 400,000 Series A Junior Participating Cumulative Preferred Stock, $0.01 par value, during fiscal 2015 as part of the Shareholder Rights Plan. As of January 29, 2022, there were zero shares issued and outstanding. See Note 14 – "Income Taxes" for additional information.

Dividends

The Company has never declared or paid any dividends with respect to its capital or common stock. The Company is restricted from paying dividends on its stock by its Siena Loan Agreement.

Public Offerings

On June 9, 2021, the Company completed a public offering, in which the Company issued and sold4,830,918 shares of our common stock at a public offering price of $9.00 per share. After underwriter discounts and commissions and other offering costs, net proceeds from the public offering were approximately $39,955. The Company has used or intends to use the proceeds for general working capital purposes, including potential acquisitions of businesses and assets that are complementary to our operations.

On February 18, 2021, the Company completed a public offering, in which the Company issued and sold3,289,000 shares of its common stock at a public offering price of $7.00 per share, including 429,000 shares sold upon the exercise of the underwriter's option to purchase additional shares. After underwriter discounts and commissions and other

offering costs, net proceeds from the public offering were approximately $21,224. The Company used the proceeds for general working capital purposes.

On August 28, 2020, the Company completed a public offering, in which the Company issued and sold 2,760,000 shares of its common stock at a public offering price of $6.25 per share, including 360,000 shares sold upon the exercise of the underwriter's option to purchase additional shares. After underwriter discounts and commissions and other offering costs, net proceeds from the public offering were approximately $15,833.

April 2020 Private Placement Securities Purchase Agreement

On April 14, 2020, the Company entered into a common stock and warrant purchase agreement with certain individuals and entities, pursuant to which the Company sold an aggregate of 1,836,314 shares of the Company's common stock, issued warrants to purchase an aggregate of 979,190 shares of the Company's common stock at a price of $2.66 per share, and fully-paid warrants to purchase an aggregate 114,698 shares of the Company's common stock at a price of $0.001 per share in a private placement, for an aggregate cash purchase price of $4,000. The initial closing occurred on April 17, 2020 and the Company received gross proceeds of $1,500. Additional closings occurred on May 22, 2020, June 8, 2020, June 12, 2020 and July 11, 2020 and the Company received gross proceeds of $2,500. The Company incurred approximately $190 of issuance costs during the first half of fiscal 2020. The warrants are indexed to the Company's publicly traded stock and were classified as equity. The par value of the shares issued was recorded within common stock, with the remainder of the proceeds, less issuance costs, recorded as additional paid in capital in the accompanying consolidated balance sheets. The Company used the proceeds for general working capital purposes.

The purchasers consisted of the following: Invicta Media Investments, LLC, Michael and Leah Friedman and Hacienda Jackson LLC. Invicta Media Investments, LLC is owned by Invicta Watch Company of America, Inc. ("IWCA"), which is the designer and manufacturer of Invicta-branded watches and watch accessories, one of the Company's largest and longest tenured brands. Michael and Leah Friedman are owners and officers of Sterling Time, LLC ("Sterling Time"), which is the exclusive distributor of IWCA's watches and watch accessories for television home shopping and the Company's long-time vendor. IWCA is owned by the Company's Vice Chair and director, Eyal Lalo, and Michael Friedman also serves as a director of the Company. A description of the relationship between the Company, IWCA and Sterling Time is contained in Note 19 – "Related Party Transactions." Further, Invicta Media Investments, LLC and Michael and Leah Friedman comprise a "group" of investors within the meaning of Section 13(d)(3) of the Securities and Exchange Act of 1934, as amended, that is the Company's largest shareholder.

The warrants have an exercise price per share of $2.66 and are exercisable at any time and from time to time from six months following their issuance date until April 14, 2025. The Company has included a blocker provision in the purchase agreement whereby no purchaser may be issued shares of the Company's common stock if the purchaser would own over 19.999% of the Company's outstanding common stock and, to the extent a purchaser in this offering would own over 19.999% of the Company's outstanding common stock, that purchaser will receive fully-paid warrants (in contrast to the coverage warrants that will be issued in this transaction, as described above) in lieu of the shares that would place such holder's ownership over 19.999%. Further, the Company included a similar blocker in the warrants (and amended the warrants purchased by the purchasers on May 2, 2019, if any) whereby no purchaser of the warrants may exercise a warrant if the holder would own over 19.999% of the Company's outstanding common stock.

During the third quarter of fiscal 2020, the fully-paid warrants were exercised for the purchase of 114,698 shares of the Company's common stock.

May 2019 Private Placement Securities Purchase Agreement

On May 2, 2019, the Company entered into a private placement securities purchase agreement with certain accredited investors pursuant to which the Company: (a) sold, in the aggregate, 800,000 shares of the Company's common stock at a price of $7.50 per share and (b) issued five-year warrants ("5-year Warrants") to purchase 350,000 shares of the Company's common stock at an exercise price of $15.00 per share. The 5-year Warrants are exercisable in whole or in part from time to time through the expiration date of May 2, 2024. The purchasers included Invicta Media Investments, LLC, Retailing Enterprises, LLC, Michael and Leah Friedman, Timothy Peterman and certain other private investors. Retailing Enterprises, LLC is a party in which the Company entered into an agreement to liquidate obsolete inventory. Under the purchase

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agreement, the purchasers agreed to customary standstill provisions related to the Company for a period of two years, as well as to vote their shares in favor of matters recommended by the Company's board of directors for shareholder approval. In addition, the Company agreed in the purchase agreement to appoint Eyal Lalo as vice chair of the Company's board of directors, Michael Friedman to the Company's board of directors and Timothy Peterman as the Company's chief executive officer.

In connection with the closing under the Purchase Agreement, the Company entered into certain other agreements with IWCA, Sterling Time and the purchasers, including a five-year vendor exclusivity agreement with Sterling Time and IWCA. The vendor exclusivity agreement grants the Company the exclusive right in television shopping to market, promote and sell the products from IWCA.

The Company received gross proceeds of $6,000 and incurred approximately $175 of issuance costs. The Company allocated the proceeds of the stock offering to the shares of common stock issued. The par value of the shares issued was recorded within common stock, with the remainder of the proceeds, less issuance costs, recorded as additional paid in capital in the accompanying consolidated balance sheets. The Company has used the proceeds for general working capital purposes. The 5-year Warrants were issued primarily as consideration for a five-year vendor exclusivity agreement with IWCA and Sterling Time. The aggregate market value of the 5-year Warrants on the grant date was $193, which was recorded as an intangible asset and is being amortized as cost of sales over the agreement term. The 5-year Warrants are indexed to the Company's publicly traded stock and were classified as equity. As a result, the fair value of the 5-year Warrants was recorded as an increase to additional paid-in capital.

Warrants

As of January 29, 2022, the Company had outstanding warrants to purchase 1,334,188 shares of the Company's common stock, of which 1,334,188 are fully exercisable. The following table summarizes information regarding warrants outstanding at January 29, 2022:

Grant Date	Warrants Outstanding	Warrants Exercisable	Exercise Price (Per Share)	Expiration Date
March 16, 2017	5,000	5,000	$ 19.20	March 16, 2022
May 2, 2019	349,998	349,998	$ 15.00	May 2, 2024
April 17, 2020	367,197	367,197	$ 2.66	April 14, 2025
May 22, 2020	122,398	122,398	$ 2.66	April 14, 2025
June 8, 2020	122,399	122,399	$ 2.66	April 14, 2025
June 12, 2020	122,398	122,398	$ 2.66	April 14, 2025
July 11, 2020	244,798	244,798	$ 2.66	April 14, 2025

All warrants are exercisable at any time through the date of expiration. All agreements provide for the number of shares to be adjusted in the event of a stock split, a reverse stock split, a share exchange or other conversion or exchange event in which case the number of warrants and the exercise price of the warrants shall be adjusted on a proportional basis.

Commercial Agreement with Shaquille O'Neal

On November 18, 2019, the Company entered into a commercial agreement ("Shaq Agreement") and restricted stock unit award agreement ("RSU Agreement") with ABG-Shaq, LLC ("Shaq") pursuant to which certain products would be sold bearing certain intellectual property rights of Shaquille O'Neal on the terms and conditions set forth in the Shaq Agreement. In exchange for such services and pursuant to the RSU Agreement, the Company issued 400,000 restricted stock units to Shaq that vest in three separate tranches. The first tranche of 133,333 restricted stock units vested on November 18, 2019, which was the date of grant. The second tranche of 133,333 restricted stock units vested February 1, 2021 and the final tranche of 133,334 restricted stock units will vest February 1, 2022. Additionally, in connection with the Shaq Agreement, the Company entered into a registration rights agreement with respect to the restricted stock units pursuant to which the Company agreed to register the common stock issuable upon settlement of the restricted stock units in accordance with the terms and conditions therein. The restricted stock units each settle for one share of the Company's common stock. The aggregate market value on the date of the award was $2,595 and is being amortized as cost of sales over the three-year commercial term. The estimated fair value is based on the grant date closing price of the Company's stock.

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Compensation expense relating to the restricted stock unit grant was $865 for fiscal 2021 and $865 for fiscal 2020. As of January 29, 2022 there was $865 of total unrecognized compensation cost related to the award. That cost is expected to be recognized over a weighted average period of 1.0 years.

Restricted Stock Award

On November 23, 2018, the Company entered into a restricted stock award agreement with Flageoli Classic Limited, LLC ("FCL") granting FCL 150,000 restricted shares of the Company's common stock in connection with and as consideration for entering into a vendor exclusivity agreement with the Company. The vendor exclusivity agreement grants us the exclusive right in television shopping to market, promote and sell products under the trademark of Serious Skincare, a skin-care brand that launched on the Company's television network on January 3, 2019. Additionally, the agreement identifies Jennifer Flavin-Stallone as the primary spokesperson for the brand on the Company's television network. The restricted shares vested in three tranches. Of the restricted shares granted, 50,000 vested on January 4, 2019, which was the first business day following the initial appearance of the Serious Skincare brand on the Company's television network, 50,000 vested on January 4, 2020 and 50,000 vested on January 4, 2021. The aggregate market value on the date of the award was $1,408 and was amortized as cost of sales over the three-year vendor exclusivity agreement term. The estimated fair value of the restricted stock is based on the grant date closing price of the Company's stock for time-based vesting awards.

Compensation expense relating to the restricted stock award grant was $153, $697 and $469 for fiscal 2021, fiscal 2020 and fiscal 2019.

Stock Compensation Plans

The Company's 2020 Equity Incentive Plan ("2020 Plan") provides for the issuance of up to3,000,000 shares of the Company's common stock. The 2020 Plan is administered by the human resources and compensation committee of the board of directors and provides for awards for employees, directors and consultants. All employees and directors of the Company and its affiliates are eligible to receive awards under the 2020 Plan. The types of awards that may be granted under the 2020 Plan include incentive and non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, and other stock-based awards. Stock options may be granted to employees at such exercise prices as the human resources and compensation committee may determine but not less than 100% of the fair market value of the common stock as of the date of grant (except in the limited case of "substitute awards" as defined by the 2020 Plan). No stock option may be granted more than 10 years after the effective date of the respective plan's inception or be exercisable more than10 years after the date of grant. Except for market-based options, options granted generally vest over three years in the case of employee stock options and vest immediately on the date of grant in the case of director options, and have contractual terms of 10 years from the date of grant. The 2020 Plan was approved by the Company's shareholders at the 2020 Annual Meeting of Shareholders on July 13, 2020.

The Company also maintains the 2011 Omnibus Incentive Plan ("2011 Plan"). Upon the adoption and approval of the 2020 Plan, the Company ceased making awards under the 2011 Plan. Awards outstanding under the 2011 Plan continue to be subject to the terms of the 2011 Plan, but if those awards subsequently expire, are forfeited or cancelled or are settled in cash, the shares subject to those awards will become available for awards under the 2020 Plan. Similarly, the Company ceased making awards under its 2004 Omnibus Stock Plan ("2004 Plan") on June 22, 2014, but outstanding awards under the 2004 Plan remain outstanding in accordance with its terms.

Stock-Based Compensation – Stock Options

Compensation is recognized for all stock-based compensation arrangements by the Company. Stock-based compensation expense for fiscal 2021, fiscal 2020 and fiscal 2019 related to stock option awards was $174, $121 and $681. The Company has not recorded any income tax benefit from the exercise of stock options due to the uncertainty of realizing income tax benefits in the future.

The fair value of each time-based vesting option award is estimated on the date of grant using the Black-Scholes option pricing model that uses assumptions noted in the following table. Expected volatilities are based on the historical volatility of the Company's stock. Expected term is calculated using the simplified method taking into consideration the option's contractual life and vesting terms. The Company uses the simplified method in estimating its expected option term because

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it believes that historical exercise data cannot be accurately relied upon at this time to provide a reasonable basis for estimating an expected term due to the extreme volatility of its stock price and the resulting unpredictability of its stock option exercises. The risk-free interest rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. Expected dividend yields were not used in the fair value computations as the Company has never declared or paid dividends on its common stock and currently intends to retain earnings for use in operations.

	Fiscal 2021	Fiscal 2020	Fiscal 2019
Expected volatility:	82% - 89%	—	75% - 82%
Expected term (in years):	6 years	—	6 years
Risk-free interest rate:	1.0% - 1.3%	—	1.4% - 2.6%

A summary of the status of the Company's stock option activity as of January 29, 2022 and changes during the year then ended is as follows:

	2020 Plan		2011 Plan		2004 Plan	
	Option Shares	Weighted Average Exercise Price	Option Shares	Weighted Average Exercise Price	Option Shares	Weighted Average Exercise Price
Balance outstanding, January 30, 2021	—	$ —	34,000	$ 12.87	3,000	$ 53.49
Granted	158,000	$ 7.48	—	$ —	—	$ —
Exercised	—	$ —	—	$ —	—	$ —
Forfeited or canceled	(10,500)	$ 9.64	(8,300)	$ 22.59	—	$ —
Balance outstanding, January 29, 2022	147,500	$ 7.33	25,700	$ 10.04	3,000	$ 53.49
Options exercisable at January 29, 2022	10,000	$ 8.72	22,800	$ 10.73	3,000	$ 53.49

The following table summarizes information regarding stock options outstanding at January 29, 2022:

	Options Outstanding				Options Vested or Expected to Vest			
Option Type	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
2020 Plan	147,500	$ 7.33	9.4	$ —	129,700	$ 7.34	9.4	$ —
2011 Plan	25,700	$ 10.04	5.9	$ 2,500	25,200	$ 10.16	5.9	$ 2,400
2004 Plan	3,000	$ 53.49	2.2	$ —	3,000	$ 53.49	2.2	$ —

The weighted average grant-date fair value of options granted in fiscal 2021 under the 2020 Plan and in fiscal 2019 under the 2011 Plan was $5.30 and $3.12. There were no options granted in fiscal 2020. The total intrinsic value of options exercised during fiscal 2021, fiscal 2020 and fiscal 2019 was $0, $0 and $0. As of January 29, 2022, total unrecognized compensation cost related to stock options was $18 and is expected to be recognized over a weighted average period of approximately 2.4 years.

Stock Option Tax Benefit

The exercise of certain stock options granted under the Company's stock option plans give rise to compensation, which is included in the taxable income of the applicable employees and deductible by the Company for federal and state income tax purposes. Such compensation results from increases in the fair market value of the Company's common stock subsequent to the date of grant of the applicable exercised stock options and these increases are not recognized as an expense for financial accounting purposes, as the options were originally granted at the fair market value of the Company's common stock on the date of grant. The related tax benefits will be recorded if and when realized, and totaled $0, $0 and $0 in fiscal 2021, fiscal 2020 and fiscal 2019. The Company has not recorded any income tax benefit from the exercise of stock options in these fiscal years, due to the uncertainty of realizing income tax benefits in the future.

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Stock-Based Compensation – Restricted Stock Units

Compensation expense relating to restricted stock unit grants was $1,375, $277 and $1,031 for fiscal 2021, fiscal 2020 and fiscal 2019. As of January 29, 2022, there was $1,799 of total unrecognized compensation cost related to non-vested restricted stock unit grants. That cost is expected to be recognized over a weighted average period of 1.9 years. The total fair value of restricted stock units vested during fiscal 2021, fiscal 2020 and fiscal 2019 was $1,345, $337 and $434. The estimated fair value of restricted stock units is based on the grant date closing price of the Company's stock for time-based vesting awards and a Monte Carlo valuation model for market-based vesting awards.

The Company has granted time-based restricted stock units to certain key employees as part of the Company's long-term incentive program. The restricted stock units generally vest in three equal annual installments beginning one year from the grant date and are being amortized as compensation expense over the three-year vesting period. The Company has also granted restricted stock units to non-employee directors as part of the Company's annual director compensation program. Each restricted stock unit grant vests or vested on the day immediately preceding the next annual meeting of shareholders following the date of grant. The grants are amortized as director compensation expense over the twelve-month vesting period.

The Company granted 76,900 performance share units to the Company's Chief Executive Officer as part of the Company's long-term incentive program during the first quarter of fiscal 2021. The number of shares earned is based on the Company's achievement of pre-established goals for sales growth over the measurement period from January 31, 2021 to January 29, 2022. Any earned performance share units will vest on February 3, 2024, so long as the executive's service has been continuous through the vest date. The number of units that may actually be earned and become eligible to vest pursuant to this award can be between 0% and 200% of the target number of performance share units. The Company recognizes compensation expense on these performance share units ratably over the requisite performance period of the award to the extent management views the performance goals as probable of attainment. The grant date fair value of these performance share units is based on the grant date closing price of the Company's stock.

The Company granted 146,000 performance share units to the Company's Chief Executive Officer as part of the Company's long-term incentive program during the first quarter of fiscal 2020. The number of shares earned is based on the Company's achievement of pre-established goals for liquidity over the measurement period from February 2, 2020 to January 30, 2021. Any earned performance share units will vest on January 28, 2023, so long as the executive's service has been continuous through the vest date. The number of units that may actually be earned and become eligible to vest pursuant to this award can be between 0% and 125% of the target number of performance share units. The Company recognizes compensation expense on these performance share units ratably over the requisite performance period of the award to the extent management views the performance goals as probable of attainment. The grant date fair value of these performance share units is based on the grant date closing price of the Company's stock.

The Company granted 94,000 market-based restricted stock performance units to executives and key employees as part of the Company's long-term incentive program during fiscal 2019. The number of restricted stock units earned is based on the Company's total shareholder return ("TSR") relative to a group of industry peers over a three-year performance measurement period. Grant date fair values were determined using a Monte Carlo valuation model based on assumptions as follows:

	Fiscal 2019
Total grant date fair value	$482
Total grant date fair value per share	$5.14
Expected volatility	74% - 82%
Weighted average expected life (in years)	3 years
Risk-free interest rate	1.7% - 2.3%

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The percent of the target market-based performance vested restricted stock unit award that will be earned based on the Company's TSR relative to the peer group is as follows:

Percentile Rank	Percentage of Units Vested
< 33%	0 %
33%	50 %
50%	100 %
100%	150 %

In conjunction with Mr. Peterman's appointment to serve as Chief Executive Officer in 2019, he received68,000 market-based restricted stock performance units. The market-based restricted stock performance units vest in three tranches, each tranche consisting of one-third of the units subject to the award. Tranche 1 vested on May 2, 2020, the one-year anniversary of the grant date. Tranche 2 will vest on the date the Company's average closing stock price for 20 consecutive trading days equals or exceeds $20.00 per share and the executive has been continuously employed at least one year. Tranche 3 will vest on the date the Company's average closing stock price for20 consecutive trading days equals or exceeds $40.00 per share and the executive has been continuously employed at leasttwo years. The vesting of the second and third tranches can occur any time on or before May 1, 2029. The total grant date fair value was estimated to be $220 and is being amortized over the derived service periods for each tranche.

Grant date fair values and derived service periods for each tranche were determined using a Monte Carlo valuation model based on assumptions, which included a weighted average risk-free interest rate of 2.5%, a weighted average expected life of2.9 years and an implied volatility of 80% and were as follows for each tranche:

	Fair Value (Per Share)	Derived Service Period
Tranche 1 (one year)	$ 3.66	1.00 Year
Tranche 2 ($20.00/share)	$ 3.19	3.27 Years
Tranche 3 ($40.00/share)	$ 2.85	4.53 Years

A summary of the status of the Company's non-vested restricted stock unit activity as of January 29, 2022 and changes during the twelve-month period then ended is as follows:

	Restricted Stock Units							
	Market-Based Units		Time-Based Units		Performance-Based Units		Total	
	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value
Non-vested outstanding, January 30, 2021	60,000	$ 3.52	736,000	$ 4.03	146,000	$ 1.69	942,000	$ 3.64
Granted	—	$ —	824,200	$ 9.33	76,900	$ 8.72	901,100	$ 9.28
Vested	—	$ —	(451,500)	$ 5.82	—	$ —	(451,500)	$ 5.82
Forfeited	(2,200)	$ 5.10	(77,400)	$ 4.28	—	$ —	(79,600)	$ 4.30
Non-vested outstanding, January 29, 2022	57,800	$ 3.47	1,031,300	$ 7.46	222,900	$ 4.13	1,312,000	$ 6.72

(11) Business Segments and Sales by Product Group

During fiscal 2021, the Company changed its reportable segments intothree reporting segments: entertainment, consumer brands and media commerce services. The Company's Chief Executive Officer began reviewing operating results of the three segments: entertainment, consumer brands and media commerce services in Q4 of 2021. These segments reflect the way the senior management and the Company's chief operating decision makers evaluate the Company's business performance and manages its operations. The corresponding current and prior period segment disclosures have been recast to reflect the current segment presentation.

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Entertainment Segment – the entertainment segment is comprised of its television networks, ShopHQ, ShopBulldogTV, ShopHQHealth, ShopJewelryHQ and 1-2-3.tv.

- **ShopHQ** is the Company's flagship, nationally distributed shopping entertainment network that offers a mix of proprietary, exclusive, and name-brand merchandise in the categories of Jewelry and Watches, Home, Beauty and Health, and Fashion and Accessories, directly to consumers 24 hours a day, 365 days a year using engaging interactive video.
- **ShopBulldogTV**, which launched in the fourth quarter of fiscal 2019, is a niche television shopping entertainment network that offers male-oriented products and services to men and to women shopping for men.
- **ShopHQHealth**, which launched in the third quarter of fiscal 2020, is a niche television shopping entertainment network that offers women and men products and services focused on health and wellness categories such as physical, mental and spiritual health, financial and motivational wellness, weight management and telehealth medical services.
- **ShopJewelryHQ**, which digitally launched in the fourth quarter of fiscal 2021, is a niche television shopping entertainment network that offers jewelry products and services to men and to women.
- **1-2-3.tv**, which was acquired in November 2021, is the leading German interactive media company, disrupting Germany's TV retailing marketplace with its expertise in proprietary live and automated auctions that emotionally engage customers with 1-2-3.tv's balanced merchandising mix of compelling products shipped directly to their homes.

Each entertainment network offers engaging, interactive video programming distributed primarily in linear television through cable and satellite distribution agreements, agreements with telecommunication companies and arrangements with over-the-air broadcast television stations. This interactive programming is also streamed live online on the respective network's digital commerce platforms that sell products which appear on the Company's television networks as well as offer an extended assortment of online-only merchandise. These networks' interactive video is also available on leading social platforms over-the-top ("OTT") platforms and ConnectedTV platforms ("CTV") such as Roku, AppleTV, and Samsung connected televisions, mobile devices, including smartphones and tablets.

Consumer Brands Segment – The consumer brands segment is comprised of Christopher & Banks ("C&B"), J.W. Hulme Company ("JW"), Cooking with Shaquille O'Neal ("Shaq"), OurGalleria.com and TheCloseout.com.

- **Christopher & Banks ("C&B")** – The Company's flagship consumer brand, C&B was founded in 1956 and is a brand that specializes in offering women's value-priced apparel and accessories that cater to women of all sizes, from petite to missy to plus sizes. Its internally designed, modern and comfortable apparel and accessories provide customers with an exclusive experience. The brand was acquired by us in partnership with Hilco Capital in March 2021. C&B's omni-channel business model includes digital advertising driven online revenue, five brick and mortar retail stores, direct-to-consumer catalogs and a growing wholesaling business driven primarily by C&B's television programming on our entertainment networks.
- **J.W. Hulme Company ("JW")** – JW was founded in 1905 and is an iconic brand offering men and women high quality accessories made by craftswomen and craftsmen the world over. The brand was acquired by the Company in 2019. JW's omni-channel business model includes two brick and mortar retail stores, direct-to-consumer catalogs, digital advertising driven online revenue and a growing wholesaling business driven primarily by JW's television programming on our entertainment networks.
- **Cooking with Shaquille O'Neal ("Shaq") –** The Company offers Shaq kitchen products and watches designed and curated by Shaq via its licensing agreement with Authentic Brands Group. Shaq's omnichannel business model is driven by Shaq's television programming on our entertainment networks.
- **OurGalleria.com** and **TheCloseout.com** are online marketplaces with business models driven by its television programming on our television networks. OurGalleria.com is a higher-end online marketplace for discounted merchandise, offering an exciting shopping experience with a selection of curated flash sales and events.

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TheCloseout.com is a lower-end online marketplace for discounted merchandise, offering quality products at deeply discounted prices. The Company obtained a controlling interest in TheCloseout.com in 2021.

Media Commerce Services Segment – The media commerce services segment is comprised of iMedia Digital Services ("iMDS"), Float Left ("FL") and i3PL.

- **iMedia Digital Services ("iMDS")** – The Company's flagship media commerce service brand is iMDS, which is a digital advertising platform specializing in engaging shopping enthusiasts online and in OTT marketplaces. iMDS's suite of services includes its Retail Media Exchange ("RME") and value-added services ("VAS"). RME is an advertising auction platform for advertisers, digital publishers, supply-side-platforms (SSPs) and demand-side platforms (DSPs). VAS is a suite of services centered on offering managed and self-serve end-to-end, white-label digital platforms for domestic multichannel video programming distributors (MVPDs), internet service providers (ISPs), digital publishers and ecommerce brands. iMDS's growth strategy is driven by its ability to differentiate its advertising platform by offering solutions that include our first-party shopping enthusiast data created continually by our entertainment and consumer brand segments. iMDS is primarily comprised of Synacor's Portal and Advertising business, which the Company acquired in July of 2021.
- **Float Left ("FL")** – FL is an OTT SaaS app platform that offers media and consumer brands the digital tools they need to deliver engaging television experiences to their audiences within the OTT and ConnectedTV ecosystems. FL offers custom, natively built solutions for Roku, Fire TV, Apple TV, Web, iOS and Android Mobile, and various smart TVs. Its growth strategy is driven by its ability to integrate iMDS's advertising operations within its OTT SaaS platform and continue to deliver sophisticated end-to-end OTT apps. FL was acquired by us in 2019.
- **i3PL** offers end-to-end, white label, managed services specializing in ecommerce customer experience and fulfillment services through its Bowling Green distribution center. i3PL's business model is driven primarily by providing these services to vendors, clients and customers within our entertainment and consumer brands segments.

Summarized Financial Information by Segment

Summarized financial information by segment for the fiscal years ended January 29, 2022, January 30, 2021, and February 1, 2020 is as follows:

	Entertainment	Consumer Brands	Media Commerce Services	Consolidated
Fiscal Year Ended January 29, 2022:				
Net Sales	$ 478,945	$ 44,347	$ 27,842	$ 551,134
Gross Margin	192,572	21,957	8,087	222,616
Operating Income (loss)	(13,500)	1,609	1,166	(10,725)
Fiscal Year Ended January 30, 2021:				
Net Sales	$ 445,452	$ 2,155	$ 6,564	$ 454,171
Gross Margin	163,897	894	2,262	167,053
Operating Income (loss)	(6,286)	(1,599)	(55)	(7,940)
Fiscal Year Ended February 1, 2020:				
Net Sales	$ 496,169	$ 2,274	$ 3,379	$ 501,822
Gross Margin	162,806	795	36	163,637
Operating Income (loss)	(49,723)	(1,928)	(874)	(52,525)

The chief operating decision maker does not review disaggregated assets on a segment basis; therefore, such information is not presented.

Segment Revenues by Product Line

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	Fiscal Year Ended		
Entertainment:	**January 29, 2022**	**January 30, 2021**	**February 1, 2020**
Jewelry & Watches	$ 191,675	$ 164,200	$ 200,948
Health, Beauty & Wellness	103,475	129,858	80,945
Home	77,879	62,118	106,025
Fashion & Accessories	57,999	45,261	65,616
Other (primarily shipping & handling revenue)	47,917	44,015	42,635
Total entertainment revenues	$ 478,945	$ 445,452	$ 496,169

	Fiscal Year Ended		
Consumer Brands:	**January 29, 2022**	**January 30, 2021**	**February 1, 2020**
Fashion & Accessories	$ 40,321	$ 2,177	$ 2,275
Home	1,786	—	—
Jewelry & Watches	1,690	—	—
Other (primarily shipping & handling revenue)	550	(22)	(1)
Total consumer brand revenues	$ 44,347	$ 2,155	$ 2,274

	Fiscal Year Ended		
Media Commerce Services:	**January 29, 2022**	**January 30, 2021**	**February 1, 2020**
Syndication	$ 14,466	$ —	$ —
Advertising & Search	7,558	—	—
OTT	2,281	2,254	167
Other	3,537	4,310	3,212
Total media commerce services revenues	$ 27,842	$ 6,564	$ 3,379

Geographic Information

The table below presents revenues and long-lived assets information by geographic area:

	Fiscal Year Ended		
	January 29, 2022	**January 30, 2021**	**February 1, 2020**
Net Sales:			
United States	$ 508,938	$ 454,171	$ 501,822
Foreign	42,196	—	—
Total	$ 551,134	$ 454,171	$ 501,822
Total Assets:			
United States	$ 400,323	$ 226,637	$ 212,743
Foreign	122,324	—	—
Total	$ 522,647	$ 226,637	$ 212,743
Long-Lived Assets:			
United States	$ 166,536	$ 52,908	$ 51,803
Foreign	95,671	—	—
Total	$ 262,207	$ 52,908	$ 51,803

Major Customers

For the years ended January 29, 2022, January 30, 2021, and February 1, 2020, the Company had no major customers that accounted for more than 10% of net sales.

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(12) Leases

The Company leases certain property and equipment, such as transmission and production equipment, satellite transponder and office equipment. The Company also leases office space used by the media commerce services segment's Float Left and iMDS, as well as our entertainment segment 1-2-3.tv. Additionally, the Company leases retail space used by our consumer brands segment's Christopher & Banks, J.W. Hulme Company and OurGalleria.com. The Company determines if an arrangement is a lease at inception. Leases with an initial term of 12 months or less are not recorded on accompanying consolidated balance sheets.

Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease liabilities and right-of-use assets are recognized at commencement date based on the present value of lease payments over the lease term. As the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. Some of the Company's leases include options to extend the term, which is only included in the lease liability and right-of-use assets calculation when it is reasonably certain the Company will exercise that option. As of January 29, 2022, the lease liability and right-of-use assets did not include any lease extension options.

The Company has lease agreements with lease and non-lease components, and has elected to account for these as a single lease component. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The components of lease expense were as follows:

	For the Years Ended	
	January 29, 2022	January 30, 2021
Operating leases:		
Long-term operating lease cost	$ 1,523	$ 972
Short-term lease cost	172	63
Variable cost	56	33
Finance leases:		
Amortization of right-of-use assets	83	104
Interest expense	3	7
Variable cost	96	57

Variable lease costs includes incremental costs for printers and common area maintenance charges.

Supplemental cash flow information related to leases was as follows:

	For the Years Ended	
	January 29, 2022	January 30, 2021
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows used for operating leases	$ 1,456	$ 1,095
Operating cash flows used for finance leases	2	7
Financing cash flows used for finance leases	86	103
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	7,741	1,299
Finance leases	—	62

The weighted average remaining lease term and weighted average discount rates related to leases were as follows:

	January 29, 2022	January 30, 2021
Weighted average remaining lease term:		
Operating leases	2.7 years	2.8 years
Finance leases	0.4 years	1.1 years

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Weighted average discount rate:		
Operating leases	4.5%	6.8%
Finance leases	6.0%	5.7%

Supplemental balance sheet information related to leases is as follows:

Leases	Classification	January 29, 2022	January 30, 2021
Assets:			
Operating lease right-of-use assets	Other assets	$ 7,474	$ 1,116
Finance lease right-of-use assets	Property and equipment, net	17	101
Total lease right-of-use assets		$ 7,491	$ 1,217
Operating lease liabilities:			
Current portion of operating lease liabilities	Current portion of operating lease liabilities	$ 2,331	$ 462
Operating lease liabilities, excluding current portion	Long term operating lease liabilities	5,169	646
Total operating lease liabilities		7,500	1,108
Finance lease liabilities:			
Current portion of finance lease liabilities	Current liabilities: Accrued liabilities	19	86
Finance lease liabilities, excluding current portion	Other long term liabilities	—	19
Total finance lease liabilities		19	105
Total lease liabilities		$ 7,519	$ 1,213

Future maturities of lease liabilities as of January 29, 2022 are as follows:

Fiscal year	Operating Leases	Finance Leases
2022	$ 2,698	$ 19
2023	2,519	—
2024	1,852	—
2025	935	—
2026	330	—
Thereafter	—	—
Total lease payments	8,334	19
Less: imputed interest	(834)	—
Total lease liabilities	$ 7,500	$ 19

As of January 29, 2022, the Company hadno operating or finance leases that had not yet commenced.

(13) Business Acquisitions

1-2-3.tv Group

On November 5, 2021, the Company and its wholly-owned subsidiary iMedia&1-2-3.tv Holding GmbH (the "Subsidiary") completed the acquisition (the "Acquisition") of all of the issued and outstanding equity interests of 1-2-3.tv Invest GmbH and 1-2-3.tv Holding GmbH (collectively with their direct and indirect subsidiaries, the "1-2-3.tv Group") from Emotion Invest GmbH & Co. KG, BE Beteiligungen Fonds GmbH & Co. geschlossene Investmentkommanditgesellschaft and Iris Capital Fund II (collectively, the "Sellers") pursuant to the Sale and Purchase Agreement, dated September 22, 2021, among the Company, the Subsidiary, and the Sellers (the "Purchase Agreement").

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At the closing of the Acquisition (the "Closing"), the Company acquired 1-2-3.tv Group from the Sellers for an aggregate purchase price of EUR 89,680 ($103,621 based on the November 5, 2021 exchange rate) (the "Enterprise Value"). The Company paid to the Sellers EUR 1,832 ($2,117 based on the November 5, 2021 exchange rate) for the 1-2-3.tv Group's cash on-hand as of July 31, 2021 and EUR966 ($1,116 based on the November 5, 2021 exchange rate) for the 1-2-3.tv Group's excess working capital above the 1-2-3.tv Group's trailing twelve-month average as of July 31, 2021. The Enterprise Value consideration consisted of the payment to the Sellers of EUR 68,200 in cash at the Closing ($78,802 based on the November 5, 2021 exchange rate) and the Company entering into a seller note agreement in the principal amount of EUR 18,000 ($20,800 based on the November 5, 2021 exchange rate) (the "seller notes") and fair value of EUR18,800 ($21,723 based on the November 5, 2021 exchange rate). The seller notes are payable in two EUR 9,000 ($10,400 based on the November 5, 2021 exchange rate) installments due on the first and second anniversaries of the issuance date. The seller notes bear interest at a rate equal to 8.50% per annum, payable semi-annually commencing on the six-month anniversary of the Closing.

The acquisition of 1-2-3.tv was accounted for in accordance with ASC 805-10 "Business Combinations". The allocation of the purchase price was based upon a valuation, and the Company's estimates and assumptions of the assets acquired, and liabilities assumed. The allocation of the purchase price was based upon a preliminary valuation, and the Company's estimates and assumptions of the assets acquired, and liabilities assumed are subject to change within the measurement period pending the finalization of a valuation.

Based on the preliminary valuation, the total consideration of $103,621 has been allocated to assets acquired and liabilities assumed based on their respective fair values as follows:

	Fair Value
Cash and cash equivalents	$ 2,117
Accounts receivable, net	7,773
Inventory	18,815
Prepaid expenses	2,002
Fixed assets	5,093
Goodwill	72,555
Identifiable intangible assets acquired:	
Developed technology	3,813
Customer lists and relationships	3,466
Trademarks and trade names	13,172
Liabilities assumed	(25,185)
Total consideration	$ 103,621

Goodwill has been measured as the excess of the total consideration over the amounts assigned to the identifiable assets acquired and liabilities assumed. Goodwill amounted to $72,555, including assembled workforce.

The preliminary purchase price allocation may be adjusted, as necessary, up to one year after the acquisition closing date if management obtains additional information regarding asset valuations and liabilities assumed.

The Purchase Agreement provides that the Sellers may receive additional consideration from the Subsidiary, if earned, in the form of earn-out payments in the amount of up to EUR 14,000 ($16,177 based on the November 5, 2021 exchange rate) based on revenues of the 1-2-3.tv Group during 2022, and up to an additional EUR 14,000 per year for 2023 and 2024 based on revenues of the 1-2-3.tv Group during each of 2023 and 2024, with the ability of the Sellers to earn amounts in excess of the EUR 14,000 in 2023 and 2024 in the event the maximum earn-out payments are not earned in either 2022 or 2023, respectively; provided, that in no event shall the total earn-out amount exceed EUR 42,000 ($48,531 based on the November 5, 2021 exchange rate). The Company has agreed to guarantee all obligations of the Subsidiary under the Purchase Agreement and the Vendor Loan. As of November 5, 2021, the fair value of the earn-out payment amounted to EUR 2,680 ($3,097 based on November 5, 2021 exchange rate). As of January 29, 2022, the recorded value of the earn-out payments was EUR 2,680 ($2,987 based on the January 29, 2022 exchange rate).

The Purchase Agreement contains customary representations, warranties, and covenants by each of the parties. The Purchase Agreement also provides that the parties will indemnify each other for certain liabilities arising under the Purchase

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Agreement, subject to various limitations, including, among other things, thresholds, caps and time limitations. The Subsidiary has obtained representation and warranty insurance that provides exclusive coverage for certain breaches of, and inaccuracies in, representations and warranties made by Sellers in the Purchase Agreement, subject to exclusions, deductibles and other terms and conditions.

Unaudited Supplemental Pro Forma Information

With significant operations in Europe, 1-2-3.tv had sales of approximately $187,398 and $177,082 for its fiscal year ended December 31, 2021 and December 31, 2020 respectively. 1-2-3.tv's results have been included since the date of the acquisition and include $42,196 in net sales and net income of $1,804.

In connection with the 1-2-3.tv acquisition, in 2021, iMedia incurred pretax expenses of $1,899 related to transaction and integration-related costs, recorded to selling, general and administrative expenses.

The unaudited proforma information below, as required by GAAP, assumes that 1-2-3.tv had been acquired at the beginning of the 2020 fiscal year and includes the effect of transaction accounting adjustments. These adjustments include the amortization of acquired intangible assets, depreciation of the fair value step-up of acquired property, plant and equipment, amortization of inventory fair value step-up (assumed to be fully amortized in 2020) in connection with the acquisition.

This unaudited proforma financial information is presented for informational purposes only and is not necessarily indicative of the results of operations that actually would have resulted had the acquisition been in effect at the beginning of the 2020 fiscal year. In addition, the unaudited proforma results are not intended to be a projection of future results and do not reflect any operating efficiencies or cost savings that might be achievable.

The following table presents proforma net sales and net income per share data assuming 1-2-3.tv was acquired at the beginning of the 2020 fiscal year:

	2021 (a)	2020 (a)
Net sales	$ 689,888	$ 631,253
Net loss	(26,776)	(13,140)

(a) The above unaudited proforma information is presented for the 1-2-3.tv acquisition as it is considered a material acquisition.

Synacor's Portal and Advertising Business Acquisition

On July 30, 2021, the Company closed on the acquisition of Synacor's Portal and Advertising business segment. This acquisition allows the Company to leverage its interactive video expertise and national television promotional power, as well as its merchandising, customer solutions and fulfillment capabilities, to offer advertisers and consumer brands differentiated digital services that the Company believes will accelerate its timeline to become the leading single-source partner to advertisers seeking to use interactive video to drive growth. Synacor Portal and Advertising has been renamed to iMedia Digital Services ("iMDS"), a leading digital advertising platform advertising platform monetizing 200+ million monthly users for its publishers by utilizing its proprietary technologies, first-party customer shopping data and interactive video services to drive engagement, traffic and conversion.

The acquisition of iMDS was accounted for in accordance with ASC 805-10 "Business Combinations". The total consideration transferred on the date of the transaction consisted of $20,000 cash, the issuance of a $10,000 seller note and assumed liabilities with a fair value of $7,864. The seller note is payable in $1,000 quarterly installments over the next ten calendar quarters beginning with September 30, 2021. The seller note bears interest at rates between 6% and 11% depending upon the period outstanding. The allocation of the purchase price was based upon a preliminary valuation, and the Company's estimates and assumptions of the assets acquired, and liabilities assumed are subject to change within the measurement period pending the finalization of a valuation.

The acquisition of iMDS was accounted for in accordance with ASC 805-10 "Business Combinations". The allocation of the purchase price was based upon a valuation, and estimates and assumptions of the assets acquired, and liabilities assumed. The allocation of the purchase price was based upon a preliminary valuation, and the Company's estimates and

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assumptions of the assets acquired, and liabilities assumed are subject to change within the measurement period pending the finalization of a valuation.

Based on the preliminary valuation, the total consideration of $30,400 has been allocated to assets acquired and liabilities assumed based on their respective fair values as follows:

	Fair Value
Accounts receivable and prepaid	$ 7,516
Fixed assets	737
Right of use asset	111
Goodwill	24,250
Identifiable intangible assets acquired:	
Developed technology	1,050
Customer lists and relationships	4,600
Liabilities assumed	(7,864)
Total consideration	$ 30,400

Goodwill has been measured as the excess of the total consideration over the amounts assigned to the identifiable assets acquired and liabilities assumed. Goodwill amounted to $24,250, including assembled workforce.

The preliminary purchase price allocation may be adjusted, as necessary, up to one year after the acquisition closing date if management obtains additional information regarding asset valuations and liabilities assumed.

Christopher & Banks Transaction

Christopher & Banks is a specialty brand of privately branded women's apparel and accessories. The Christopher & Banks brand was previously owned by Christopher & Banks Corporation, which filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in January 2021. On March 1, 2021, the Company entered into a licensing agreement with ReStore Capital, a Hilco Global company, whereby the Company will operate the Christopher & Banks business throughout all sales channels, including digital, television, catalog, and brick and mortar retail, effective March 1, 2021. The Company also purchased certain assets related to the Christopher & Banks eCommerce business, including its customer file, and certain inventory, furniture, equipment, and certain intangible assets. As part of its integration plan, the Company launched dedicated Christopher & Banks television programming on its ShopHQ network, which will promote the brand’s website, christopherandbanks.com, and its retail stores, and its digital interactive style-out platform that helps customers customizes their Christopher & Banks merchandise into stylized collections.

On March 1, 2021, the Company acquired all of the assets of Christopher & Banks, LLC. The acquisition of Christopher & Banks was accounted for in accordance with ASC 805-10 “Business Combinations”. The total consideration transferred on the date of the transaction consisted of $3,500 cash and assumed liabilities with a fair value of $4,197. In addition, the Company is obligated to issue common shares to Hilco with a value of $1,500 as additional consideration. The Company expects to issue these shares in the first quarter, 2022.

The acquisition of Christopher & Banks, LLC was accounted for in accordance with ASC 805-10 “Business Combinations”. The allocation of the purchase price was based upon a valuation, and estimates and assumptions of the assets acquired, and liabilities assumed.

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The final total consideration of $5,000 has been allocated to assets acquired and liabilities assumed based on their respective fair values as follows:

	Fair Value
Inventory	$ 4,100
Fixed assets	500
Goodwill	3,307
Identifiable intangible assets acquired:	
Developed technology	890
Customer lists and relationships	400
Liabilities assumed	(4,197)
Total consideration	$ 5,000

Goodwill has been measured as the excess of the total consideration over the amounts assigned to the identifiable assets acquired and liabilities assumed. Goodwill amounted to $3,307, including assembled workforce.

The Closeout.com Acquisition

On February 5, 2021, the Company became a controlling member under the limited liability company agreement for TCO, LLC ("TCO"), a Delaware limited liability company entered into between the Company and LAKR Ecomm Group LLC ("LAKR") to operate TheCloseout.com, an online marketplace that was previously owned in part by Invicta Media Investments. LAKR is a newly formed company indirectly owned by Invicta Media Investments, LLC and The Closeout.com LLC. The initial Board of Directors of TCO includes Tim Peterman, the Chief Executive Officer and a director of the Company, Landel Hobbs, the Chairman of the Board of the Company, and Eyal Lalo, a director of the Company. See Note 14 – "Related Party Transactions" for additional information regarding the Company's relationships with Invicta Media Investments, LLC, Retailing Enterprises and Mr. Lalo.

Under the limited liability company agreement, the Company will act as the controlling member of TCO. Mr. Peterman and Mr. Hobbs, as the designees of the Company, will lead TCO, with certain significant corporate actions requiring the consent of both members. Mr. Peterman will be the Chairperson of TCO. Distributions of available cash may be made to the members at the discretion of TCO's board of managers. In addition, beginning on February 5, 2026 and recurring every 12 months thereafter, the Company will have the right, but not the obligation, to acquire LAKR's interest in TCO at a value determined based on financial benchmarks set forth in the TCO limited liability company agreement.

The acquisition of TCO was accounted for in accordance with ASC 805-10 "Business Combinations". The allocation of the purchase price was based upon a valuation, and the Company's estimates and assumptions of the assets acquired, and liabilities assumed.

The final total consideration of $7,000 has been allocated to assets acquired and liabilities assumed based on their respective fair values as follows:

	Fair Value
Inventory	$ 4,770
Fixed assets	600
Goodwill	1,740
Identifiable intangible assets acquired:	
Developed technology	110
Trademarks and trade names	180
Liabilities assumed	(400)
Total consideration	$ 7,000

In connection with the establishment of TCO, the Company contributed assets in the form of inventory valued at $3,570 in exchange for a 51% interest in the TCO, and LAKR contributed assets in the form of inventory and intellectual property valued at $3,430 in exchange for a 49% interest in TCO. The Company also entered into a loan and security agreement with TCO, pursuant to which TCO may borrow up to $1,000 from the Company on a revolving basis pursuant to a promissory

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note bearing interest at LIBOR plus4.00%, provided that the floor of this interest rate is4.25%. The promissory note is payable on demand by the Company, may be voluntarily prepaid at any time, and must be repaid prior to TCO making any distributions, other than advances for tax withholdings, to its members.

Goodwill has been measured as the excess of the total consideration over the amounts assigned to the identifiable assets acquired and liabilities assumed. Goodwill amounted to $1,740.

Non-controlling Interests

Non-controlling interests ("NCI") represent equity interests owned by outside parties. NCI may be initially measured at fair value or at the NCI's proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement is made on a transaction by transaction basis. The Company elected to measure each NCI at its proportionate share of the recognized amounts of the acquiree's identifiable net assets. The share of net assets attributable to NCI are presented as a component of equity. Their share of net income or loss and comprehensive income or loss is recognized directly in equity. Total comprehensive income or loss of subsidiaries is attributed to the shareholders of the Company and to the NCI, even if this results in the NCI having a deficit balance.

Float Left Interactive, Inc.

In November 2019, the Company entered into an asset purchase agreement and acquired substantially all the assets of Float Left, a business comprised of connected TVs, video-based content, application development and distribution, including technical consulting services, software development and maintenance related to video distribution. The Company plans to utilize Float Left's team and technology platform to further grow its content delivery capabilities in OTT platforms while providing new revenue opportunities.

The acquisition has been accounted for under the purchase method of accounting, and accordingly, the purchase price has been allocated to the identifiable assets and liabilities assumed pursuant to the asset purchase agreement based on fair values at the acquisition date. The operating results of Float Left, which were not material, have been included in the consolidated financial statements of the Company since the date of acquisition. The Company incurred $78 of acquisition-related costs and are included in general and administrative expense in the accompanying fiscal 2019 consolidated statement of operations. The acquisition date fair value of consideration transferred for Float Left was approximately $1,102, which consisted of $353 of cash, net of cash acquired, $459 of common stock and $290 of contingent consideration in the form of additional common stock.

The estimated fair value of the common stock issued as purchase consideration,100,000 shares, was based on the issue date closing price of the Company's stock. The purchase included contingent consideration of up to 50,000 additional shares of the Company's common stock in the event that gross revenue of the business during an annual earn-out period is equal to or greater than $2,000. The estimated fair value of contingent consideration of $290 was primarily based on the Float Left's projected performance for each of the first two fiscal years following the closing date and the closing price of the Company's stock. Any changes in the expected amount of the contingent consideration is recorded in the Consolidated Statement of Operations. As of January 29, 2022, 25,000 of the additional shares remained unearned with a recorded amount of approximately $125.

The following table summarizes the allocation of the Float Left purchase consideration:

	Fair Value
Current assets	$ 139
Identifiable intangible assets acquired:	
Developed technology	772
Customer lists and relationships	253
Trademarks and trade names	88
Other assets	18
Accounts payable and accrued liabilities	(168)
Total consideration	$ 1,102

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The fair value of identifiable intangible assets was determined using an income-based approach, which includes market participant expectations of cash flows that an asset will generate over the remaining useful life discounted to present value using an appropriate rate of return.

J.W. Hulme Company

In November 2019, the Company entered into an asset purchase agreement and acquired substantially all the assets of J.W. Hulme, a business specializing in artisan-crafted leather products, including handbags and luggage. The Company plans to accelerate J.W. Hulme's revenue growth by creating its own programming on ShopHQ. Additionally, the Company plans to utilize J.W. Hulme to craft private-label accessories for the Company's existing owned and operated fashion brands.

The acquisition has been accounted for under the purchase method of accounting, and accordingly, the purchase price has been allocated to the identifiable assets and liabilities assumed pursuant to the asset purchase agreement based on fair values at the acquisition date. The operating results of J.W. Hulme, which were not material, have been included in the consolidated financial statements of the Company since the date of acquisition. The supplementary proforma information, assuming this acquisition occurred as of the beginning of the prior periods, and the operations of J.W. Hulme for the period from the November 26, 2019 acquisition date through the end of fiscal 2019 were immaterial. The Company incurred $80 of acquisition-related costs and are included in general and administrative expense in the accompanying fiscal 2019 consolidated statement of operations. The acquisition date fair value of consideration transferred for J.W. Hulme was approximately $1,906, which consisted of $285 of cash, net of cash acquired, a working capital holdback of $225 and $1,396 of common stock issued. The estimated fair value of the common stock issued as purchase consideration, 291,000 shares, is based on the issue date closing price of the Company's stock.

The following table summarizes the allocation of the J.W. Hulme purchase consideration:

	Fair Value
Current assets	$ 904
Identifiable intangible assets acquired:	
Trademarks and trade names	1,480
Customer lists and relationships	86
Other assets	184
Accounts payable and accrued liabilities	(580)
Other long term liabilities	(168)
Total consideration	$ 1,906

The fair value of identifiable intangible assets was determined using an income-based approach, which includes market participant expectations of cash flows that an asset will generate over the remaining useful life discounted to present value using an appropriate rate of return.

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(14) Income Taxes

The Company records deferred taxes for differences between the financial reporting and income tax bases of assets and liabilities, computed in accordance with tax laws in effect at that time. The deferred taxes related to such differences as of January 29, 2022 and January 30, 2021 were as follows:

	January 29, 2022	January 30, 2021
Accruals and reserves not currently deductible for tax purposes	$ 5,443	$ 4,227
Disallowed interest	4,820	—
Inventory capitalization	972	729
Differences in depreciation lives and methods	1,409	(478)
Differences in basis of intangible assets	315	318
Differences in investments and other items	1,289	3,817
Net operating loss carryforwards	96,975	98,833
Valuation allowance	(111,223)	(107,446)
Net deferred tax asset (liability) before foreign jurisdiction basis differences	—	—
Differences in basis of acquired intangible assets - foreign jurisdiction	(5,285)	—
Net deferred tax liability	$ (5,285)	$ —

The income tax provision consisted of the following:

	For the Years Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Current:			
U.S Federal	$ —	$ —	$ —
State and local	60	60	11
Foreign Jurisdictions	50	—	—
Total Current	110	60	11
Deferred:			
U.S Federal	—	—	—
State and local	—	—	—
Foreign Jurisdictions	—	—	—
Total Deferred	—	—	—

A reconciliation of the statutory tax rates to the Company's effective tax rate is as follows:

	For the Years Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Taxes at federal statutory rates	21.0 %	21.0 %	21.0 %
State income taxes, net of federal tax benefit	2.4	13.4	4.1
Impact of foreing income inclusion	(2.7)	—	—
Effect of 162(m) limitation	(1.5)	—	—
Disallowed transaction costs	(1.4)	—	—
Provision to return true-up	(2.6)	(2.4)	(4.0)
Non-cash stock option vesting expense	0.8	(1.2)	(0.6)
Valuation allowance and NOL carryforward benefits	(16.5)	(31.2)	(20.4)
Other	—	(0.1)	(0.1)
Effective tax rate	(0.5)%	(0.5)%	0.0 %

Based on the Company's recent history of losses, the Company has recorded a full valuation allowance as of January 29, 2022 and a full valuation allowance for its net deferred tax assets as of January 30, 2021 in accordance with GAAP, which places primary importance on the Company's most recent operating results when assessing the need for a valuation allowance. The ultimate realization of these deferred tax assets depends on the ability of the Company to generate sufficient taxable income in the future, as well as the timing of such income. The Company intends to maintain a full valuation allowance for

its net deferred tax assets until sufficient positive evidence exists to support reversal of the allowance. As of January 29, 2022, the Company has federal net operating loss carryforwards ("NOLs") of approximately $389,000 which are available to offset future taxable income. The Company's federal NOLs generated prior to 2019 expire in varying amounts each year from 2023 through 2037 in accordance with applicable federal tax regulations and the timing of when the NOLs were incurred. The Company's federal NOLs generated in 2019 and after can be carried forward indefinitely.

In the first quarter of fiscal 2011, the Company had a change in ownership (as defined in Section 382 of the Internal Revenue Code) as a result of the issuance of common stock coupled with the redemption of all the Series B preferred stock held by GE Equity. Sections 382 and 383 limit the annual utilization of certain tax attributes, including NOL carryforwards, incurred prior to a change in ownership. Currently, the limitations imposed by Sections 382 and 383 are not expected to impair the Company's ability to fully realize its NOLs; however, the annual usage of NOLs incurred prior to the change in ownership are limited. In addition, if the Company were to experience another ownership change, as defined by Sections 382 and 383, its ability to utilize its NOLs could be further substantially limited and depending on the severity of the annual NOL limitation, the Company could permanently lose its ability to use a significant amount of its accumulated NOLs.

As of January 29, 2022, and January 30, 2021, there were no unrecognized tax benefits for uncertain tax positions. Accordingly, a tabular reconciliation from beginning to ending periods is not provided. Further, to date, there have been no interest or penalties charged or accrued in relation to unrecognized tax benefits. The Company will classify any future interest and penalties as a component of income tax expense if incurred. The Company does not anticipate that the amount of unrecognized tax benefits will change significantly in the next twelve months.

The Company is subject to U.S. federal income taxation, German federal income taxation, and the taxing authorities of various states. The Company's tax years for 2020, 2019, and 2018 are currently subject to examination by taxing authorities. With limited exceptions, the Company is no longer subject to U.S. federal, state, or local examinations by tax authorities for years before 2018.

Shareholder Rights Plan

During fiscal 2015, the Company adopted a Shareholder Rights Plan to preserve the value of certain deferred tax benefits, including those generated by net operating losses. On July 10, 2015, the Company declared a dividend distribution of one purchase right (a "Right") for each outstanding share of the Company's common stock to shareholders of record as of the close of business on July 23, 2015 and issuable as of that date. On July 13, 2015, the Company entered into a Shareholder Rights Plan (the "Rights Plan") with Wells Fargo Bank, N.A., a national banking association, with respect to the Rights. Except in certain circumstances set forth in the Rights Plan, each Right entitles the holder to purchase from the Company one one-thousandth of a share of Series A Junior Participating Cumulative Preferred Stock, $0.01 par value, of the Company ("Preferred Stock" and each one one-thousandth of a share of Preferred Stock, a "Unit") at a price of $90.00 per Unit.

The Rights initially trade together with the common stock and are not exercisable. Subject to certain exceptions specified in the Rights Plan, the Rights will separate from the common stock and become exercisable following (i) the tenth calendar day after a public announcement or filing that a person or group has become an "Acquiring Person," which is defined as a person who has acquired, or obtained the right to acquire, beneficial ownership of 4.99% or more of the common stock then outstanding, subject to certain exceptions, or (ii) the tenth calendar day (or such later date as may be determined by the board of directors) after any person or group commences a tender or exchange offer, the consummation of which would result in a person or group becoming an Acquiring Person. If a person or group becomes an Acquiring Person, each Right will entitle its holders (other than such Acquiring Person) to purchase one Unit at a price of $90.00 per Unit. A Unit is intended to give the shareholder approximately the same dividend, voting and liquidation rights as would one share of Common Stock, and should approximate the value of one share of Common Stock. At any time after a person becomes an Acquiring Person, the board of directors may exchange all or part of the outstanding Rights (other than those held by an Acquiring Person) for shares of common stock at an exchange rate of one share of common stock (and, in certain circumstances, a Unit) for each Right. The Company will promptly give public notice of any exchange (although failure to give notice will not affect the validity of the exchange).

On July 12, 2019, the Company's shareholders re-approved the Rights Plan at the 2019 annual meeting of shareholders. The Rights Plan will expire on the close of business on the date of the 2022 annual meeting of shareholders, unless the Rights

(Dollars in thousands, except share and per share information)

Plan is re-approved by shareholders prior to expiration. However, in no event will the Rights Plan expire later than the close of business on July 13, 2025.

Until the close of business on the tenth calendar day after the day a public announcement or a filing is made indicating that a person or group has become an Acquiring Person, the Company may in its sole and absolute discretion amend the Rights or the Rights Plan agreement without the approval of any holders of the Rights or shares of common stock in any manner, including without limitation, amendments that increase or decrease the purchase price or redemption price or accelerate or extend the final expiration date or the period in which the Rights may be redeemed. The Company may also amend the Rights Plan after the close of business on the tenth calendar day after the day such public announcement or filing is made to cure ambiguities, to correct defective or inconsistent provisions, to shorten or lengthen time periods under the Rights Plan or in any other manner that does not adversely affect the interests of holders of the Rights. No amendment of the Rights Plan may extend its expiration date.

(15) Supplemental Cash Flow Information

Supplemental cash flow information and noncash investing and financing activities were as follows:

	For the Years Ended		
	January 29, 2022	January 30, 2021	February 1, 2020
Supplemental Cash Flow Information:			
Interest paid	$ 8,388	$ 4,681	$ 3,151
Interest paid for finance leases	2	7	8
Income taxes paid	63	81	31
Supplemental non-cash investing and financing activities:			
Television distribution rights obtained in exchange for liabilities	$ 102,545	$ 43,655	$ —
Property and equipment purchases included in accounts payable	465	288	209
Common stock issuance costs included in accounts payable	—	184	—
Equipment acquired through finance lease obligations	—	62	188
Fair value of common stock issued as consideration for business acquisitions	—	—	1,855
Issuance of warrants for intangible assets	—	—	193

Supplemental cash flow information for leases is disclosed in Note 14 – “Leases”

(16) Commitments and Contingencies

Cable and Satellite Distribution Agreements

The Company has entered into distribution agreements with cable operators, direct-to-home satellite providers, telecommunications companies and broadcast television stations to distribute the Company’s television network over their systems. The terms of the distribution agreements typically range from one to five years. During any fiscal year, certain agreements with cable, satellite or other distributors may or have expired. Under certain circumstances, the television operators or the Company may cancel the agreements prior to their expiration. Additionally, the Company may elect not to renew distribution agreements whose terms result in sub-standard or negative contribution margins. The distribution agreements generally provide that the Company will pay each operator a monthly access fee and in some cases a marketing support payment based on the number of homes receiving the Company’s programming. For fiscal 2021, fiscal 2020 and fiscal 2019 the Company expensed approximately $59,771, $56,681 and $82,330 under these distribution agreements as a component of distribution and selling expense in the Company’s consolidated statement of operations. Additionally, during fiscal 2020, the Company acquired television broadcast rights, which are recorded as an asset and a liability on the consolidated balance sheets. Amortization expense for television broadcast rights is included as a component of depreciation and amortization in the Company’s consolidated statement of operations. See Note 4 – “Television Broadcast Rights” for additional information.

(Dollars in thousands, except share and per share information)

Over the past years, the Company has maintained its distribution footprint with the Company's material cable and satellite distribution carriers. Failure to maintain the cable agreements covering a material portion of the Company's existing cable households on acceptable financial and other terms could adversely affect future growth, revenues and earnings unless the Company is able to arrange for alternative means of broadly distributing its television programming. Cable operators serving a large majority of cable households offer cable programming on a digital basis. The use of digital compression technology provides cable companies with greater channel capacity. While greater channel capacity increases the opportunity for distribution and, in some cases, reduces access fees paid by us, it also may adversely impact the Company's ability to compete for television viewers to the extent it results in less desirable channel positioning for us, placement of the Company's programming in separate programming tiers, the broadcast of additional competitive channels or viewer fragmentation due to a greater number of programming alternatives.

The Company has entered into, and will continue to enter into, distribution agreements with other television operators providing for full- or part-time carriage of the Company's television shopping programming.

Future cable and satellite distribution cash commitments at January 29, 2022 are as follows:

Fiscal Year	Amount
2022	$ 76,987
2023	46,310
2024	33,563
2025	25,563
2026	24,063
Thereafter	—
Total	$ 206,486

Employment Agreements

On May 2, 2019, the Company entered into an executive employment agreement with Mr. Peterman, the Company's Chief Executive Officer. Among other things, the employment agreement provides for a two-year initial term, followed by automatic one-year renewals, an initial base salary of $650, annual bonus stipulations, a temporary living expense allowance and participation in the Company's executive relocation program. The aggregate commitment for future base compensation related to the agreement at January 30, 2021 was approximately $163. In conjunction with the employment agreement, the Company granted Mr. Peterman an award of68,000 restricted stock units with an aggregate fair value of $220. The chief executive officer's employment agreement also provides for severance in the event of employment termination in accordance with the Company's established guidelines regarding severance as described below.

The Company has established guidelines regarding severance for its senior executive officers, whereby if a senior executive officer's employment terminates for reasons other than change of control, up to 15 months of the executive's highest annual rate of base salary for those serving as Chief Executive Officer or Executive Vice President and up to 12 months of the executive's highest annual rate of base salary for those serving as Senior Vice President may become payable. If a Chief Executive Officer or Executive Vice President's employment terminates within a one-year period commencing on the date of a change in control or withinsix months preceding the date of a change in control, up to 18 months of the executive's highest annual rate of base salary, plus 1.5 times the target annual incentive bonus determined from such base salary, may become payable. If a Senior Vice President's employment terminates within a one-year period commencing on the date of a change in control or within six months preceding the date of a change in control, up to 15 months of the executive's highest annual rate of base salary, plus 1.25 times the target annual incentive bonus determined from such base salary, may become payable.

Retirement Savings Plan

The Company maintains a qualified 401(k) retirement savings plan covering substantially all employees. The plan allows the Company's employees to make voluntary contributions to the plan. In the fourth quarter of fiscal 2021 and in fiscal 2019, the Company made a contribution match of $0.50 for every $1.00 contributed by eligible participants up to a maximum of6% of eligible compensation. From 2020 through the third quarter of fiscal 2021, the Company made a contribution match of $0.50 for every $1.00 contributed by eligible participants up to a maximum of 3% of eligible contribution. Matching

contributions were contributed to the plan on a per pay period basis. Company plan contributions expense totaled $513, $58 and $1,135 for fiscal 2021, fiscal 2020 and fiscal 2019, of which $0 was accrued and outstanding as of January 29, 2022 and January 30, 2021.

(17) Inventory Impairment Write-down

On May 2, 2019, Timothy A. Peterman was appointed Chief Executive Officer of the Company (See Note 21 – "Executive and Management Transition Costs") and implemented a new merchandise strategy to shift airtime and merchandise by increasing higher contribution margin categories, such as jewelry & watches and beauty & wellness, and decreasing home and fashion & accessories. This change of strategy resulted in the need to liquidate excess inventory in the fashion & accessories and home product categories as a result of the reduced airtime being allocated to those categories. As a result, the Company recorded a non-cash inventory write-down of $6,050 within cost of sales during the first quarter of fiscal 2019. The Company did not record any inventory write-down for impairment in 2021 or 2020.

(18) Litigation

The Company is involved from time to time in various claims and lawsuits in the ordinary course of business, including claims related to products, product warranties, contracts, employment, intellectual property, consumer protection and regulatory matters. In the opinion of management, none of the claims and suits, either individually or in the aggregate, are reasonably likely to have a material adverse effect on the Company's operations or consolidated financial statements.

(19) Related Party Transactions

Relationship with Sterling Time, Invicta Watch Company of America, and Retailing Enterprises

On June 9, 2021, the Company entered into a Confidential Vendor Exclusivity Agreement (the "Famjams Agreement") with Famjams Trading LLC ("Famjams"), one of the Company's ten largest vendors, pursuant to which Famjams granted the Company the exclusive right to market, promote and sell products using the Medic Therapeutics and Safety Vital brand names and any substantially similar or directly competitive goods or services through the Company's television networks, website and mobile applications, platforms on social media and mobile host sites and brick and mortar retailing locations in North and South America, Europe and Asia during the five-year exclusivity period, unless earlier terminated pursuant to the terms of the Famjams Agreement. Until the expiration of the exclusivity period, such license is exclusive to the IMBI retailing channels. During the final year of the term of the Famjams Agreement, the parties are required to negotiate in good faith the terms of a five-year extension.

Pursuant to the Famjams Agreement, the Company agreed to issue to Famjams $1,500 of RSUs, priced at the closing bid price of the Company's common stock on the Nasdaq Capital Market on the trading date immediately preceding the date of the Famjams Agreement – a total of 147,347 RSUs. One-fifth of the RSUs will vest annually, beginning on June 9, 2021 and ending on June 9, 2025. Famjams also agreed to provide the Company with a revolving line of credit in the amount of $2,000 during the term of the Famjams Agreement. The $1,500 aggregate market value on the date of the award is being amortized as cost of sales over the five-year commercial term.

The Company also agreed, pursuant to the Famjams Agreement, to deliver a cash deposit of $6,000 to Famjams to be used as working capital by Famjams. This deposit will bear interest in the amount of 5% per annum and will become due and payable in full at the end of the term of the Famjams Agreement, or if the Famjams Agreement is extended for a five-year period, at the end of such renewal period. In the event of a default, the Company agreed that the intellectual property and trademarks associated with the Famjams products subject to the Famjams Agreement pledged as collateral fully satisfies any due and owing working capital amount owed by Famjams to the Company. Famjams is an affiliate of Michael Friedman, a director of the Company.

Additionally on June 9, 2021, iMedia Brands, Inc. entered into a Confidential Vendor Exclusivity Agreement (the "IWCA Agreement") with Invicta Watch Company of America, Inc. ("IWCA"), one of the Company's ten largest vendors, pursuant to which IWCA granted the Company the exclusive right to market, promote and sell watches and watch accessories using the Invicta brand names and any substantially similar or directly competitive goods or services through the Company's

live or taped direct response video retail programming in North and South America during the five-year exclusivity period of the IWCA Agreement, unless earlier terminated pursuant to the terms of the IWCA Agreement. During the final year of the term of the IWCA Agreement, the parties are required to negotiate in good faith the terms of a five-year extension. This new agreement permits the Company to extend its exclusive relationship with one of its largest vendors, providing critical long-term stability to the Company's key vendor ranks.

Pursuant to the IWCA Agreement, the Company agreed to issue to IWCA $4,500 of RSUs, priced at the closing bid price of the Company's common stock on the Nasdaq Capital Market on the trading date immediately preceding the date of the IWCA Agreement – a total of 442,043 RSUs. One-fifth of the RSUs will vest annually, beginning on June 9, 2021 and ending on June 9, 2025. IWCA also agreed to provide the Company with a revolving line of credit in the amount of $3,000 during the first, second and third quarters of each of the Company's fiscal years during the term of the IWCA Agreement and $ 4,000 during the fourth quarter of each of the Company's fiscal years during the term of the IWCA Agreement. IWCA is an affiliate of Eyal Lalo, the Company's Vice Chair.

On August 28, 2020, Invicta Media Investments, LLC purchased 256,000 shares of the Company's common stock pursuant to the Company's public equity offering.

On April 14, 2020, the Company entered into a common stock and warrant purchase agreement with certain individuals and entities, pursuant to which the Company sold shares of the Company's common stock and issued warrants to purchase shares of the Company's common stock in a private placement. Details of the common stock and warrant purchase agreement are described in Note 10 – "Shareholders' Equity." The purchasers consisted of the following: Invicta Media Investments, LLC, Michael and Leah Friedman and Hacienda Jackson LLC. Invicta Media Investments, LLC purchased 734,394 shares of the Company's common stock and a warrant to purchase 367,196 shares of the Company's common stock for an aggregate purchase price of $1,500. Michael and Leah Friedman purchased 727,022 shares of the Company's common stock and a warrant to purchase 367,196 shares of the Company's common stock for an aggregate purchase price of $1,500. Pursuant to the agreement, Sterling Time has standard payment terms with 90-day aging from receipt date for all purchase orders. If the Company's accounts payable balance to Sterling Time exceeds (a) $3,000 in any given week during the Company's first three fiscal quarters through May 31, 2022 or (b) $4,000 in any given week during the Company's fourth fiscal quarters of fiscal 2020 and fiscal 2021, the Company will pay the accounts payable balance owed to Sterling Time that is above these stated amounts. Following May 31, 2022, the Company's payment terms revert back to standard 90-day aging terms as previously described.

On May 2, 2019, in accordance with the Purchase Agreement described in Note 10 – "Shareholders' Equity," the Company's Board of directors elected Michael Friedman and Eyal Lalo to the board and appointed Mr. Lalo as the vice chair of the board. Mr. Lalo reestablished Invicta, the flagship brand of the Invicta Watch Group and one of the Company's largest brands, in 1994, and has served as its chief executive officer since its inception. Mr. Friedman has served as chief executive officer of Sterling Time, which is the exclusive distributor of IWCA's watches and watch accessories for television home shopping and the Company's long-time vendor, since 2005. Sterling Time has served as a vendor to the Company for over 20 years. For their service as non-employee members of the board of directors, Messrs. Friedman and Lalo receive compensation under the Company's non-employee director compensation policy.

Mr. Lalo is the owner of IWCA, which is the sole owner of Invicta Media Investments, LLC. Mr. Friedman is an owner of Sterling Time. Pursuant to the Purchase Agreement the following companies invested as a group, including: Invicta Media Investments, LLC purchased 400,000 shares of the Company's common stock and a warrant to purchase 252,656 shares of the Company's common stock for an aggregate purchase price of $3,000, Michael and Leah Friedman purchased 180,000 shares of the Company's common stock and a warrant to purchase 84,218 shares of the Company's common stock for an aggregate purchase price of $1,350, and Retailing Enterprises, LLC purchased 160,000 shares of the Company's common stock for an aggregate purchase price of $1,200, among others.

Transactions with Sterling Time

The Company purchased products from Sterling Time, an affiliate of Mr. Friedman, in the aggregate amount of $49,376, $50,992 and $58,700 during fiscal 2021, fiscal 2020 and fiscal 2019. In addition, during fiscal 2019, the Company subsidized the cost of a promotional cruise for Invicta branded and other vendors' products. As of January 29, 2022 and January 30,

2021, the Company had a net trade receivable balance owed by Sterling Time of $1,356 and a net trade payable balance owed to Sterling Time of $825.

Transactions with Retailing Enterprises

During fiscal 2019, the Company entered into an agreement, which was subsequently amended, to liquidate obsolete inventory to Retailing Enterprises, LLC for a total purchase price of $1,400. During the third quarter of fiscal 2020, the Company sold additional inventory to Retailing Enterprises, LLC for a purchase price of $365. During fiscal 2021 and 2020, the Company accrued commissions of $225 and $263 to Retailing Enterprises, LLC for Company sales of the Invincible Guarantee program. The Invincible Guarantee program is an Invicta watch offer whereby customers receive credit on watch trade-ins within a five-year period. The program is serviced by Retailing Enterprises, LLC. In addition, the Company provided third party logistic services and warehousing to Retailing Enterprises, LLC, totaling $747 during fiscal 2020. As of January 29, 2022, and January 30, 2021, the Company had a net trade receivable balance owed from Retailing Enterprises of $251 and $641.

Transactions with Famjams Trading

The Company purchased products from Famjams Trading LLC ("Famjams Trading"), an affiliate of Mr. Friedman, in the aggregate amount of $34,671, $48,818, and $2,200 during fiscal 2021, 2020 and fiscal 2019. In addition, the Company provided third party logistic services and warehousing to Famjams Trading, totaling $4, $59 and $42 in fiscal 2021, 2020 and fiscal 2019. As of January 29, 2022, and January 30, 2021, the Company had a net trade receivable balance with Famjams Trading of $4,974 and $4,300.

Transactions with TWI Watches

The Company purchased products from TWI Watches LLC ("TWI Watches"), an affiliate of Mr. Friedman, in the aggregate amount of $608, $789 and $782 during fiscal 2021, 2020 and fiscal 2019. As of January 29, 2022 and January 30, 2021, the Company had a net trade payable balance owed to TWI Watches of $151 and $256.

Transactions with The Hub Marketing Services, LLC

The Company received marketing services from The Hub Marketing Services, LLC, an affiliate of Mr. Lalo, in the aggregate amount of $380 and $300 during fiscal 2021 and fiscal 2020. As of January 29, 2022 and January 30, 2021, the Company had a net trade payable balance owed to The Hub Marketing Services, LLC of $0 and $25.

Transactions with a Financial Advisor

In November 2018, the Company entered into an engagement letter with Guggenheim Securities, LLC pursuant to which Guggenheim was engaged to provide certain advisory services to the Company. A relative of Neal Grabell, who was a director of the Company at that time, was a managing director of Guggenheim Securities. During the fourth quarter of fiscal 2019, the Company accrued $1,000 in connection with an amendment to the engagement letter. As of January 30, 2021, no amounts had been paid. The Company paid off the liability during fiscal 2021 and had no further accruals as of January 29, 2022.

(20) Restructuring Costs

During fiscal 2021, the Company implemented and completed an additional cost optimization initiative, which eliminated additional positions across the Company's entertainment segment, the majority of which were in merchandising and warehouse management. As a result of the fiscal 2021 cost optimization initiative, the Company recorded restructuring charges of $634 for the year ended January 29, 2022, which relate primarily to severance and other incremental costs associated with the elimination of positions across the Company's entertainment segment. These initiatives were substantially completed as of January 29, 2022, with related cash payments expected to continue through the second quarter of fiscal 2022.

During fiscal 2020, the Company implemented and completed a cost optimization initiative, which eliminated positions across the Company's ShopHQ segment, the majority of which were in customer service, order fulfillment and television production. As a result of the fiscal 2020 cost optimization initiative, the Company recorded restructuring charges of $715

(Dollars in thousands, except share and per share information)

for the year ended January 30, 2021, which relate primarily to severance and other incremental costs associated with the consolidation and elimination of positions across the Company's ShopHQ segment. These initiatives were substantially completed as of January 30, 2021.

During fiscal 2019, the Company implemented numerous cost optimization initiatives to streamline the Company's organizational structure, accelerate decentralized decision making, and realign its cost base with sales declines. As a result of the fiscal 2019 initiatives, the Company recorded restructuring charges of $9,166.

The following table summarizes the significant components and activity under the restructuring program for the years ended January 29, 2022 and January 30, 2021:

	Year Ended January 29, 2022			
	Balance at January 30, 2021	Charges	Cash Payments	Balance at January 29, 2022
Severance	$ 42	$ 634	$ (119)	$ 557
Other incremental costs	5	—	(5)	—
	$ 47	$ 634	$ (124)	$ 557

	Year Ended January 30, 2021			
	Balance at February 1, 2020	Charges	Cash Payments	Balance at January 30, 2021
Severance	$ 3,133	$ 642	$ (3,733)	$ 42
Other incremental costs	127	73	(195)	5
	$ 3,260	$ 715	$ (3,928)	$ 47

The liability for restructuring accruals is included in current accrued liabilities within the accompanying consolidated balance sheet.

(21) Executive and Management Transition Costs

On May 2, 2019, Robert J. Rosenblatt, the Company's former Chief Executive Officer, was terminated from his position as an officer and employee of the Company and was entitled to receive the payments set forth in his employment agreement. The Company recorded charges to income totaling $1,922 as a result. Mr. Rosenblatt remained a member of the Company's board of directors until October 1, 2019. On May 2, 2019, in accordance with the purchase agreement described in Note 10 – "Shareholders' Equity," the Company's board of directors appointed Timothy A. Peterman to serve as Chief Executive Officer, effective immediately, and entered into an employment agreement with Mr. Peterman. In conjunction with these executive changes as well as other executive and management terminations made during fiscal 2019, the Company recorded charges to income totaling $2,741, which relate primarily to severance payments to be made as a result of the executive officer and other management terminations and other direct costs associated with the Company's 2019 executive and management transition. As of January 30, 2021, $241 was accrued, with the related cash payments made through the second quarter of fiscal 2021. As of January 29, 2022, there were no remaining accrued termination or transition costs.

(22) Subsequent Events

On April 18, 2022, Company entered into a Securities Purchase Agreement (the "SPA"), by and between the Company and Growth Capital Partners, LLC ("GCP"), for the purchase and sale of an unsecured convertible promissory note (the "Note") in the original aggregate principal amount of $10,600,000, convertible into shares of the Company's common stock, $0.01 par value ("Common Stock"), in a private placement upon the terms and subject to the limitations and conditions set forth in the Note. The aggregate purchase price of the Note is $10,000,000, which reflects an original issue discount to GCP of $600,000. Company filed an Form 8-K outlining the transaction on April 22, 2022.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of January 29, 2022, management conducted an evaluation, under the supervision and with the participation of our Chief Financial Officer ("CFO") of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")). Based on this evaluation, the chief financial officer concluded that, as of that date, our disclosure controls and procedures were not effective as of January 29, 2022 due to material weaknesses in our internal control over financial reporting, which are described below in "Management's Annual Report on Internal Control over Financial Reporting".

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) under the Exchange Act and based upon the criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO framework"). Our company's internal control system was designed 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.

In fiscal 2021, we became an accelerated filer and were required to obtain an attestation report over management's assessment of its internal controls under Section 404(b) of the Sarbanes-Oxley Act of 2002.

Management assessed the effectiveness of the Company's internal control over financial reporting as of January 29, 2022. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control — Integrated Framework* (2013).

On November 5, 2021, we acquired 1-2-3.tv. Under the rules and regulations of the Securities and Exchange Commission, we have elected to exclude 1-2-3.tv from management's assessment of the effectiveness of internal controls over financial reporting as of January 29, 2022. This acquisition constitutes 7.6% of net sales in the consolidated statements of income and 23.2% of total assets in the consolidated balance sheets as of and for the year ended January 29, 2022. In our Annual Report on Form 10-K for the year ending January 28, 2023, management and the Company's independent registered public accounting firm will be required to provide an assessment as to the effectiveness of the Company's internal control over financial reporting, inclusive of the acquisition of 1-2-3.tv.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

As a result of management's evaluation of the effectiveness of our internal control over financial reporting, our CEO and CFO concluded that as of January 29, 2022, the Company had deficiencies in the control environment, risk assessment, control activities, information and communication, and monitoring components of the COSO Framework that constitute material weaknesses, either individually or in the aggregate. As a result of the material weaknesses identified, we concluded that our internal control over financial reporting was not effective as of January 29, 2022.

These material weaknesses related to the following:

- *Control Environment* – We did not maintain an effective control environment based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the control environment of the COSO framework. Specifically, the closure of four acquisitions, the debt and equity offerings this year and the turnover of key members of management, resulted in a lack sufficient resources as well as trained resources with assigned responsibilities and accountability for the design and operation

of internal control over financial reporting. The material weakness in the control environment led to additional material weaknesses in our system of internal control as described below.

- *Risk Assessment* – We did not design and implement an effective risk assessment based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the risk assessment component of the COSO framework.
- *Control Activities* – We did not design and implement effective control activities based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the control activities component of the COSO framework. Specifically, these control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) selecting and developing control activities that contribute to the mitigation of risks and support achievement of objectives; and (ii) deploying control activities through policies that establish what is expected and procedures that put policies into action.
- *Information & Communication* – We did not consistently generate or provide adequate quality supporting information and communication based on the criteria established in the COSO framework and identified deficiencies in the principles associated with the information and communication component of the COSO framework. Specifically, these control deficiencies constituted material weaknesses, either individually or in the aggregate, relating to: (i) obtaining, generating, and using relevant quality information to support the functions of internal control; and (ii) communicating accurate information internally and externally, including providing information pursuant to objectives, responsibilities, and functions of internal control.

  The following were contributing factors to the material weaknesses in information and communication:

  - Inadequate general information technology controls in the areas of access security and program change-management over certain information technology systems that support the Company's financial reporting processes.
  - Inconsistent retention of documentation or analysis to provide underlying support and calculations related to reserve and accrual adjustments when recorded.
  - Insufficient processes in place to communicate required information to enable personnel to understand internal control responsibilities.
- *Monitoring* – We did not design and implement effective monitoring activities based on the criteria established in the COSO framework to enable appropriate monitoring to determine whether the components of internal control are present and functioning as established by the COSO framework.

As a result of the material weaknesses, we have relied, in part, on the assistance of outside advisors with expertise in these matters to assist us in the preparation of our consolidated financial statements and in our compliance with SEC reporting obligations and expect to continue to do so while we remediate these material weaknesses.

The effectiveness of our internal control over financial reporting as of January 29, 2022 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report included in this Annual Report. This report contains an adverse opinion on the effectiveness of our internal control over financial reporting.

Remediation Efforts to Address the Material Weakness

Our management is committed to remediating identified control deficiencies (including both those that rise to the level of a material weakness and those that do not), fostering continuous improvement in our internal controls and enhancing our overall internal control environment.

Our management believes that these remediation actions, when fully implemented, will remediate the material weaknesses we have identified and strengthen our internal control over financial reporting.

Our remediation efforts are ongoing and additional remediation efforts may be necessary. We will continue our initiatives to implement and document the strengthening of existing, and development of new policies, procedures, and internal controls.

During the fourth quarter of 2021 we initiated and will continue to implement measures designed to improve our internal control over financial reporting to remediate these material weaknesses, including engaging a professional services firm to review the Company's Sarbanes-Oxley program and assist the Company's management with its overall Company-wide risk assessment process and with selecting and developing control activities to contribute to the mitigation of risks and support achievement of objectives. In addition, the Company is in the process of evaluating the assignment of responsibilities, internal and external, associated with the performance of internal controls over financial reporting and will consider hiring additional resources, contracting external resources, or providing additional training to existing resources as appropriate.

In addition, we have created a process to identify and maintain the information required to support the functioning of internal controls over financial reporting and established and continued reinforcement of communicating protocols including required information and expectations to enable personnel to perform internal control responsibilities (e.g., formal training programs and corporate communications).

Management is committed to remediating its material weaknesses as promptly as possible and is in the process of implementing its remediation plan. We are still in the process of designing, implementing, documenting, and testing the effectiveness of these processes, procedures and controls.

The material weaknesses cannot be considered completely remediated until the applicable controls have operated for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. We cannot assure you that the measures we have taken to date, and are continuing to implement, will be sufficient to remediate the material weaknesses we have identified or avoid potential future material weaknesses.

As we continue our evaluation and assess the effectiveness of our internal control over financial reporting going forward, management may modify the actions described above or identify and take additional measures to address control deficiencies. While we prioritize achieving the effectiveness of our internal control over financial reporting and disclosure controls, until our remediation efforts, including any additional measures management identifies as necessary, are complete and operate for a sufficient period of time, the material weaknesses described above will continue to exist and management will not be able to conclude that it is remediated.

Control systems, no matter how well conceived and operated, are designed to provide a reasonable, but not an absolute, level of assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and management must apply judgment in evaluating the benefits of possible controls and procedures relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Because of the inherent limitations in any control system, misstatements due to error or fraud may occur and not be detected.

Changes in Internal Control over Financial Reporting

As mentioned above, on November 5, 2021, we acquired 1-2-3.tv. We continue to integrate the 1-2-3.tv business into our financial reporting controls and procedures and internal control over financial reporting, including integrating the information technology and data of 1-2-3.tv into our information technology infrastructure. With respect to the material weaknesses noted above, except for the acquisition of 1-2-3.tv, there has been no significant change in our internal control over financial reporting during the quarter ended January 29, 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information in response to this item with respect to our executive officers appears below and additional information with respect to our directors and our audit and other committees is incorporated herein by reference to the sections titled "Proposal 1 — Election of Directors," "Information about our Executive Officers" and, as applicable, "Delinquent Section 16(a) Reports" in our definitive proxy statement we intend to file with the SEC within 120 days after the end of the fiscal year covered by this annual report on Form 10-K (the "Proxy Statement").

Information about Our Executive Officers

Set forth below are the names, ages and titles of the persons serving as our executive officers.

Name	Age	Position(s) Held
Timothy A. Peterman	55	Chief Executive Officer and Director
Jean-Guillaume Sabatier	52	Executive Vice President, Chief Commerce Officer
Montgomery Wageman	55	Senior Vice President, Chief Financial Officer

Timothy A. Peterman rejoined our company as Chief Executive Officer in May 2019 and has served as a member of the board since April 2020. He served as Interim Chief Financial Officer from January 2020 to June 2021. From March 2015 through April 2018, Mr. Peterman served as our Chief Financial Officer, and was promoted to Chief Operating Officer / Chief Financial Officer in June 2017. Prior to March 2015, Mr. Peterman served in various senior roles in leading interactive media companies including IAC/Interactive Corp (Nasdaq: IAC); Sinclair Broadcast Group (Nasdaq: SBGI), and the E.W Scripps Company (Nasdaq: SSP). Mr. Peterman began his career at KPMG in Chicago in 1989, is a CPA (inactive) and holds a BS in accounting from the University of Kentucky.

Jean-Guillaume Sabatier rejoined the Company as Executive Vice President, Chief Commerce Officer in May 2019. His role is focused on operating fundamentals in pricing, merchandising, programming and planning. Most recently from March 2017 until rejoining the Company, Mr. Sabatier served as a planning and programming consultant in both Germany and Italy to HSE24, an omni-channel retailer. From 2008 to 2017, he served as the Company's Senior Vice President, Sales & Product Planning, and from 2007 to 2008 he served as Director, Sales and Product Planning for QVC, Inc. Prior to that time, Mr. Sabatier held various positions in QVC's German business unit, including Director, Programming and Planning from 2003 to 2007. He began his QVC career as a sales and product planner in 1997. Mr. Sabatier holds a BS and MBA from West Chester University in Pennsylvania.

Montgomery Wageman has served as Senior Vice President, Chief Financial Officer since June 2021. Mr. Wageman had previously served as the Company's Vice President, Corporate Controller June 2020. He served as Senior Director of Accounting, Tax and Treasury from July 2019 through June 2020 and Accounting Director from 2007 through July 2019. He had previously served in various senior-level accounting roles for the Company since 2000. Prior to joining the Company, he served in various roles at Fourth Shift Corporation and Viromed Laboratories, Inc. He began his career at Arthur Anderson in 1988. Mr. Wageman is a certified public accountant (inactive) and holds a BA in accounting from the College of St. Thomas in Minnesota.

Code of Business Conduct and Ethics

We have adopted a code of business conduct and ethics applicable to all of our directors and employees, including our principal executive officer, principal financial officer, principal accounting officer, controller and other employees performing similar functions. A copy of this code of business conduct and ethics is available on our website at investors.imediabrands.com, under "Governance — Governance Documents — Business Ethics Policy." In addition, we have adopted a code of ethics policy for our senior financial management; this policy is also available on our website at investors.imediabrands.com, under "Governance — Governance Documents — Code of Ethics Policy for Chief Executive and Senior Financial Officers."

We intend to satisfy the disclosure requirements under Form 8-K regarding an amendment to, or waiver from, a provision of our code of business conduct and ethics by posting such information on our website at the address specified above.

Item 11. Executive Compensation

Information in response to this item is incorporated herein by reference to the sections titled "Director Compensation for Fiscal 2021," "Executive Compensation" and "Board of Directors and Corporate Governance" in the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

Information in response to this item is incorporated herein by reference to the sections titled "Security Ownership of Principal Shareholders and Management" and "Equity Compensation Plan Information" in the Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information in response to this item is incorporated herein by reference to the sections titled "Certain Relationships and Transactions" and "Board of Directors and Corporate Governance" in the Proxy Statement.

Item 14. Principal Accountant Fees and Services

Information in response to this item is incorporated herein by reference to the section titled "Audit Committee Report and Payment of Fees to Independent Registered Public Accounting Firm" in the Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

1. Financial Statements

- Report of Independent Registered Public Accounting Firm
- Consolidated Balance Sheets as of January 29, 2022 and January 30, 2021
- Consolidated Statements of Operations for the Years Ended January 29, 2022, January 30, 2021, and February 1, 2020
- Consolidated Statements of Shareholders' Equity for the Years Ended January 29, 2022, January 30, 2021, and February 1, 2020
- Consolidated Statements of Cash Flows for the Years Ended January 29, 2022, January 30, 2021, and February 1, 2020
- Notes to Consolidated Financial Statements

2. Financial Statement Schedules

All schedules have been omitted because they are not applicable, not required or because the required information is included in the consolidated financial statements or the notes thereto.

3. Exhibits

Exhibit No.	Description	Method of Filing
3.1	Fourth Amended and Restated Articles of Incorporation	Incorporated by reference
3.2	By-Laws of the Company (as amended through July 16, 2019)	Incorporated by reference
3.3	Certificate of Designation of Series A Junior Participating Cumulative Preferred Stock of the Registrant, as filed with the Secretary of State of the State of Minnesota	Incorporated by reference
4.1	Description of Capital Stock	Filed herewith
4.2	Shareholder Rights Plan, dated as of July 13, 2015, by and between the Registrant and Wells Fargo Bank, N.A., as rights agent	Incorporated by reference
4.3	Restricted Stock Award Agreement, dated November 23, 2018, in favor of Flageoli Classic Limited, LLC	Incorporated by reference
4.4	Form of Warrant under Common Stock and Warrant Purchase Agreement, dated April 14, 2020 by and between iMedia Brands, Inc. and the Purchasers listed therein (coverage)	Incorporated by reference
4.5	Form of Warrant under Common Stock and Warrant Purchase Agreement, dated April 14, 2020 by and between iMedia Brands, Inc. and the Purchasers listed therein (fully paid)	Incorporated by reference
4.6	Form of Restricted Stock Award Agreement with vendors	Incorporated by reference
4.7	Form of Restricted Stock Unit Award Agreement with vendors	Incorporated by reference
4.8	Form of Warrant, dated May 2, 2019	Incorporated by reference
4.9	Indenture, dated September 28, 2021, between the Company and U.S. Bank National Association, as trustee	Incorporated by reference
4.10	First Supplemental Indenture, dated September 28, 2021, between the Company and U.S. Bank National Association, as trustee	Incorporated by reference
4.11	Form of Global Note representing 8.50% Senior Unsecured Notes due 2026 (included as Exhibit A to the First Supplemental Indenture filed herewith as Exhibit 4.10)	Incorporated by reference
4.12	Form of Convertible Promissory Note dated April 18, 2022	Incorporated by reference
10.1	Amended and Restated 2004 Omnibus Stock Plan	Incorporated by reference†
10.2	Form of Incentive Stock Option Agreement (Employees) under 2004 Omnibus Stock Plan	Incorporated by reference†
10.3	Form of Stock Option Agreement (Executive Officers) under 2004 Omnibus Stock Plan	Incorporated by reference†
10.4	Form of Stock Option Agreement (Executive Officers) under 2004 Omnibus Stock Plan	Incorporated by reference†
10.5	Form of Stock Option Agreement (Directors - Annual Grant) under 2004 Omnibus Stock Plan	Incorporated by reference†
10.6	Form of Stock Option Agreement (Directors - Other Grants) under 2004 Omnibus Stock Plan	Incorporated by reference†
10.7	EVINE Live Inc. 2011 Omnibus Incentive Plan, as amended April 23, 2018	Incorporated by reference†
10.8	Form of Restricted Stock Unit Award Agreement under 2011 Omnibus Incentive Plan	Incorporated by reference†
10.9	Form of Incentive Stock Option Award Agreement under the 2011 Omnibus Incentive Plan	Incorporated by reference†
10.10	Form of Non-Statutory Stock Option Award Agreement under the 2011 Omnibus Incentive Plan	Incorporated by reference†

10.11	Form of Restricted Stock Award Agreement under the 2011 Omnibus Stock Plan	Incorporated by reference†
10.12	Form of Performance Stock Option Award Agreement under the 2011 Omnibus Incentive Plan	Incorporated by reference†
10.13	ValueVision Media, Inc. Executives' Severance Benefit Plan	Incorporated by reference†
10.14	Evine Live Inc. Executives' Severance Benefit Plan	Incorporated by reference†
10.15	Form of Indemnification Agreement with Directors and Officers of the Registrant	Incorporated by reference†
10.16	iMedia Brands, Inc. Management Incentive Plan	Incorporated by reference†
10.17	Description of Director Compensation Program	Incorporated by reference †
10.18	Form of Non-Qualified Stock Option Agreement	Incorporated by reference†
10.19	Form of Performance Stock Unit Award Agreement under the 2011 Omnibus Incentive Plan	Incorporated by reference†
10.20	Form of Performance Share Unit Award Agreement pursuant to the 2011 Omnibus Incentive Plan	Incorporated by reference†
10.21	iMedia Brands, Inc. 2020 Equity Incentive Plan	Incorporated by reference†
10.22	Shareholder Agreement, dated as of April 29, 2016, between EVINE Live Inc., and NBCUniversal Media, LLC	Incorporated by reference†
10.23	Amended and Restated Registration Rights Agreement, dated February 25, 2009, among the Registrant, GE Capital Equity Investments, Inc. and NBC Universal, Inc.	Incorporated by reference
10.24	Amendment to the Amended and Restated Registration Rights Agreement, dated as of April 29, 2016, among the Registrant, ASF Radio, L.P., and NBCUniversal Media, LLC	Incorporated by reference
10.25	Revolving Credit and Security Agreement dated February 9, 2012 among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, PNC Bank National Association, as lender and agent	Incorporated by reference
10.26	First Amendment to Revolving Credit and Security Agreement, dated May 1, 2013, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, PNC Bank National Association, as lender and agent	Incorporated by reference
10.27	Second Amendment to Revolving Credit and Security Agreement, dated July 30, 2013, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, PNC Bank, National Association, as agent for the lenders	Incorporated by reference
10.28	Third Amendment to Revolving Credit and Security Agreement, dated January 31, 2014, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, PNC Bank National Association, as lender and agent	Incorporated by reference
10.29	Fourth Amendment to Revolving Credit and Security Agreement, dated March 6, 2015, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, PNC Bank National Association, as lender and agent for the lenders and certain other lenders	Incorporated by reference
10.30	Fifth Amendment to Revolving Credit, Term Loan and Security Agreement, dated October 8, 2015, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, PNC Bank National Association, as a lender and agent and certain other lenders	Incorporated by reference

10.31	Sixth Amendment to Revolving Credit, Term Loan and Security Agreement, dated March 10, 2016, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, and PNC Bank National Association, as a lender and agent and certain other lenders	Incorporated by reference
10.32	Seventh Amendment to Revolving Credit, Term Loan and Security Agreement, dated September 7, 2016, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, and PNC Bank National Association, as a lender and agent and certain other lenders	Incorporated by reference
10.33	Eighth Amendment to Revolving Credit, Term Loan and Security Agreement, dated March 21, 2017, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, and PNC Bank National Association, as a lender and agent and certain other lenders	Incorporated by reference
10.34	Ninth Amendment to Revolving Credit, Term Loan and Security Agreement, dated September 25, 2017, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, and PNC Bank National Association, as a lender and agent and certain other lenders	Incorporated by reference
10.35	Tenth Amendment to Revolving Credit, Term Loan and Security Agreement, dated July 27, 2018, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, and PNC Bank National Association, as a lender and agent and certain other lenders	Incorporated by reference
10.36	Eleventh Amendment to Revolving Credit, Term Loan and Security Agreement, dated November 25, 2019, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, and PNC Bank National Association, as a lender and agent and certain other lenders	Incorporated by reference
10.37	Twelfth Amendment to Revolving Credit, Term Loan and Security Agreement, dated February 5, 2021, among the Registrant, as the lead borrower, certain of its subsidiaries party thereto as borrowers, and PNC Bank National Association, as a lender and agent and certain other lenders	Incorporated by reference
10.38	Letter agreement, dated July 9, 2015, between the Company and GE Capital Equity Investments, Inc.	Incorporated by reference
10.39	Form of Securities Purchase Agreement, including Form of Warrant and Form of Option, dated September 14, 2016, between the Registrant and the purchasers referenced therein	Incorporated by reference
10.40	Form of Amendment to Option issued pursuant to the Securities Purchase Agreement, dated September 14, 2016	Incorporated by reference
10.41	Form of Amendment to Securities Purchase Agreement, dated September 14, 2016	Incorporated by reference
10.42	First Amended and Restated Option, dated March 16, 2017, among the Registrant and TH Media Partners, LLC	Incorporated by reference
10.43	Repurchase Letter Agreement, dated January 30, 2017 between the Company and NBCUniversal Media, LLC	Incorporated by reference
10.44	Common Stock and Warrant Purchase Agreement, dated as of May 2, 2019, by and between EVINE Live Inc. and the Purchasers listed therein	Incorporated by reference†

10.45	Vendor Exclusivity Agreement, dated as of May 2, 2019, by and between EVINE Live Inc. and Sterling Time, LLC	Incorporated by reference
10.46	Vendor Agreement, dated as of May 2, 2019, by and between EVINE Live Inc. and Sterling Time, LLC	Incorporated by reference
10.47	Letter Agreement, dated as of May 2, 2019, by Invicta Watch Company of America, Inc. in favor of EVINE Live Inc.	Incorporated by reference
10.48	Merchandise Letter Agreement, dated as of May 2, 2019, by Sterling Time, LLC in favor of EVINE Live Inc.	Incorporated by reference
10.49	Form of Clawback Agreement, dated as of May 2, 2019	Incorporated by reference
10.50	Employment Agreement, dated as of May 2, 2019, by and between EVINE Live Inc. and Timothy A. Peterman	Incorporated by reference†
10.51	Performance Share Unit Award Agreement, dated as of May 2, 2019, between EVINE Live, Inc. and Timothy A. Peterman	Incorporated by reference†
10.52	Board Resignation and Consulting Agreement by and between Robert Rosenblatt and iMedia Brands, Inc., dated October 1, 2019	Incorporated by reference†
10.53	Restricted Stock Unit Award Agreement, dated as of November 18, 2019, by and between iMedia Brands, Inc. and ABG-Shaq, LLC	Incorporated by reference†
10.54	Registration Rights Agreement, dated as of November 18, 2019, by and between iMedia Brands, Inc. and ABG-Shaq, LLC	Incorporated by reference
10.55	Common Stock and Warrant Purchase Agreement, dated as of April 14, 2020, by and between iMedia Brands, Inc. and the Purchasers listed therein	Incorporated by reference
10.56	First Amendment, dated as of June 12, 2020, to that certain Common Stock and Warrant Purchase Agreement, dated as of April 14, 2020, by and between iMedia Brands, Inc. and the Purchasers listed therein	Incorporated by reference
10.57	Registration Rights Agreement, dated as of April 14, 2020, by and between iMedia Brands, Inc. and the Purchasers listed therein	Incorporated by reference
10.58	Limited Liability Company Agreement, dated February 5, 2021, among the Company, LAKR Ecomm Group LLC and TCO, LLC	Incorporated by reference
10.59	Contribution Agreement, dated February 5, 2021, by and between the Company and TCO, LLC	Incorporated by reference
10.60	Shared Services Agreement, dated February 5, 2021, by and between the Company and TCO, LLC	Incorporated by reference
10.61	Loan and Security Agreement, dated February 5, 2021, by and between the Company and TCO, LLC	Incorporated by reference
10.62	Demand Promissory Note, dated February 5, 2021, issued by the Company to TCO, LLC	Incorporated by reference
10.63	Restricted Stock Unit Award Agreement, dated June 9, 2021, by and between the Company and Invicta Watch Company of America, Inc.	Incorporated by reference
10.64	Restricted Stock Unit Award Agreement, dated June 9, 2021, by and between the Company and Famjams Trading LLC	Incorporated by reference
10.65	Confidential Vendor Exclusivity Agreement, dated June 9, 2021, by and between the Company and Invicta Watch Company of America, Inc.	Incorporated by reference
10.66	Confidential Vendor Exclusivity Agreement, dated June 9, 2021, by and between the Company and Famjams Trading LLC	Incorporated by reference
10.67	Stock Purchase Agreement, dated June 9, 2021, by and between the Company and ALCC, LLC	Incorporated by reference
10.68	Employment Offer Letter, dated June 16, 2021, by and between the Company and Montgomery Wageman	Incorporated by reference

10.69	Loan and Security Agreement, dated July 30, 2021, by and among the iMedia Brands, Inc., as the lead borrower, certain of its subsidiaries party thereto as borrowers, Siena Lending Group LLC and the other financial institutions party thereto from time to time, Siena Lending Group LLC, as agent, and VVI Fulfillment Center, Inc., EP Properties, LLC and Portal Acquisition Company, as guarantors	Incorporated by reference
10.70	Promissory Note Secured by Mortgages, dated July 30, 2021, by and among VVI Fulfilment Center, Inc. and EP Properties, LLC, as borrowers, and GreenLake Real Estate Finance LLC, as lender	Incorporated by reference
10.71	Form of Vendor Loan Agreement among SCUR-Alpha 1359 GmbH (to be renamed iMedia&1-2-3.tv Holding GmbH) (as borrower), iMedia Brands, Inc. and 1-2-3.tv GmbH (as guarantors) and Emotion Invest GmbH & Co. KG, BE Beteiligungen Fonds GmbH & Co. geschlossene Investmentkommanditgesellschaft and Iris Capital Fund II	Incorporated by reference
10.72	Loan and Security Agreement, dated July 30, 2021, by and among the iMedia Brands, Inc., as the lead borrower, certain of its subsidiaries party thereto as borrowers, Siena Lending Group LLC and the other financial institutions party thereto from time to time, Siena Lending Group LLC, as agent, and VVI Fulfillment Center, Inc., EP Properties, LLC and Portal Acquisition Company, as guarantors (incorporated by reference to Exhibit 10.1 on Form 8-K filed on August 5, 2021)	Incorporated by reference
10.73	First Amendment and Consent Agreement, dated as of September 20, 2021, by and among iMedia Brands, Inc., certain of its subsidiaries party thereto as borrowers, Siena Lending Group LLC, as agent, and VVI Fulfillment Center, Inc., EP Properties, LLC and Portal Acquisition Company, as guarantors	Incorporated by reference
10.74	Second Amendment and Consent to Loan and Security Agreement, dated December 27, 2021	Filed herewith
10.75	Third Amendment and Consent to Loan and Security Agreement, dated February 25, 2022	Filed herewith
10.76	Fourth Amendment and Consent to Loan and Security Agreement, dated April 18, 2022	Filed herewith
10.77	Securities Purchase Agreement, dated as of April 18, 2022	Incorporated by reference
21	Significant Subsidiaries of the Registrant	Filed herewith
23	Consent of Independent Registered Public Accounting Firm	Filed herewith
24	Powers of Attorney	Included with signature pages
31.1	Certification of the Chief Executive Officer	Filed herewith
31.2	Certification of the Chief Financial Officer	Filed herewith
32	Section 1350 Certification of Chief Executive Officer and Chief Financial Officer	Filed herewith
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	Filed herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	Filed herewith

Exhibit 104	Cover Page Interactive Data File (embedded within the inline XBRL document)	Filed herewith

† Management compensatory plan/arrangement.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section B or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on April 29, 2022.

iMedia Brands, Inc.
(Registrant)

By: /s/ TIMOTHY A. PETERMAN

Timothy A. Peterman
Chief Executive Officer

Each of the undersigned hereby appoints Timothy Peterman (with full power to act alone), as attorneys and agents for the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to sign and file with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, any and all amendments and exhibits to this annual report on Form 10-K and any and all applications, instruments, and other documents to be filed with the Securities and Exchange Commission pertaining to this annual report on Form 10-K or any amendments thereto, with full power and authority to do and perform any and all acts and things whatsoever requisite and necessary or desirable. Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on April 29, 2022.

Name	Title
/s/ TIMOTHY A. PETERMAN Timothy A. Peterman	Chief Executive Officer and Director
/s/ MONTGOMERY WAGEMAN Montgomery Wageman	Senior Vice President and Chief Financial Officer (principal financial and accounting officer)
/s/ LANDEL C. HOBBS Landel C. Hobbs	Chairman of the Board
/s/ EYAL LALO Eyal Lalo	Vice Chairman of the Board
/s/ MICHAEL FRIEDMAN Michael Friedman	Director
/s/ JILL M. KRUEGER Jill M. Krueger	Director
/s/ LISA A. LETIZIO Lisa A. Letizio	Director
/s/ DARRYL C. PORTER Darryl C. Porter	Director
/s/ AARON P. REITKOPF Aaron P. Reitkopf	Director

Exhibit 4.1

DESCRIPTION OF CAPITAL STOCK

The summary of the general terms and provisions of the capital stock of iMedia Brands, Inc. (the "Company") set forth below does not purport to be complete and is subject to and qualified by reference to the Company's Fourth Amended and Restated Articles of Incorporation (the "Articles"), and By-Laws of the Company (the "Bylaws," and together with the Articles, the "Charter Documents"), each of which is incorporated herein by reference and attached as an exhibit to the Company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC"). For additional information, please read the Charter Documents and the applicable provisions of the Minnesota Business Corporation Act (the "MBCA").

Capital Stock

The Company is authorized to issue 10,000,000 shares of capital stock, including up to 20,000,000 shares of common stock, par value of $0.01 per share (the "Common Stock"), and preferred stock (the "Preferred Stock") having a par value as determined by the Company's Board of Directors (the "Board"). The Board is authorized at any time and from time to time, subject to any limitations prescribed by law, to provide for the issuance of preferred stock in one or more classes and/or series, to establish the number of shares to be included in each such series, and to fix by resolution the designation, powers, preferences and rights of the shares of such series and any qualifications, limitations or restrictions thereof. The Board has authorized a series of 400,000 shares of Preferred Stock, par value of $0.01 per share, designated as the Series A Junior Participating Cumulative Preferred Stock (the "Series A Preferred Stock"). The number of authorized shares of Series A Preferred Stock may be increased or decreased by the Board, but no decrease may reduce the number of Series A Preferred Stock reserved for issuance below the number of shares thereof then outstanding plus the number of shares reserved for issuance upon the exercise of outstanding options, rights or warrants or upon the conversion of any outstanding securities issued by the Company convertible into Series A Preferred Stock.

The Common Stock is registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Act"), along with certain "Rights to Purchase Series A Junior Participating Cumulative Preferred Stock" (the "Rights"). On July 10, 2015, a duly authorized committee of the Board declared a dividend distribution of one Right for each outstanding share of Common Stock to shareholders of record as of the close of business on July 23, 2015 and issuable as of that date. Except in certain circumstances, each Right entitles the registered holder to purchase from the Company one one-thousandth of a share of Series A Preferred Stock (each one one-thousandth of a share of Series A Preferred Stock, a " Unit") at a price of $90.00 per Unit (the "Purchase Price"). The rights of a holder of a Unit are substantially equivalent to the rights of a holder of a share of Common Stock. The description and terms of the Rights are set forth in a Shareholder Rights Plan dated as of July 13, 2015 (the "Shareholder Rights Plan"), between the Company and Wells Fargo Bank, N.A., a national banking association, which is incorporated herein by reference and attached as an exhibit to the Company's most recent Annual Report on Form 10-K filed with the SEC. Certain provisions of the Shareholder Rights Plan could have anti-takeover effects, as described below under "Potential Anti-Takeover Effects."

Voting Rights

The holders of shares of Common Stock are entitled to one vote for each share held of record on all matters submitted to a vote of shareholders, including the election of directors. The Articles do not permit cumulative voting in the election of directors. Subject to the rights, if any, of the holders of one or more classes or series of Preferred

Stock issued by the Company, each director of the Company shall be elected at a meeting of shareholders by the vote of the majority of votes cast with respect to that director, provided that directors of the Company shall be elected by a plurality of the votes present and entitled to vote on the election of directors at any such meeting for which the number of nominees exceeds the number of directors to be elected. Each share of Series A Preferred Stock entitles the holder thereof to 1,000 votes on all matters submitted to a vote of the shareholders of the Company. Voting rights with respect to certain significant corporate transactions may be impacted as described below under "Potential Anti-Takeover Effects." Holders of Common Stock may act by unanimous written consent in lieu of meeting with respect to any action required or permitted to be taken at a meeting of the shareholders.

Dividend Rights

Subject to the rights of the holders of Preferred Stock and any other class or series having a preference as to dividends over the Common Stock then outstanding, the holders of the Common Stock are entitled to receive ratably, to the extent permitted by law, such dividends as may be declared from time to time by the Board upon the terms and conditions provided by law and the Articles. Holders of Series A Preferred Stock shall be entitled to receive, when, as and if declared by the Board out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date, a "Quarterly Dividend Payment Date") in an amount per share equal to the greater of (a) $10.00 or (b) 1,000 times the aggregate per share amount of all cash dividends, and 1,000 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock, since the immediately preceding Quarterly Dividend Payment Date, or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Preferred Stock. Dividends are cumulative on outstanding shares of Series A Preferred Stock (accrued but unpaid dividends do not bear interest).

Liquidation Rights

Upon the voluntary or involuntary liquidation, dissolution, distribution of assets or winding-up of the Company, the holders of the Common Stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preferences of any Preferred Stock, including the Series A Preferred Stock. No distribution shall be made to the holders of shares of stock ranking junior to the Series A Preferred Stock unless, prior thereto, the holders of shares of Series A Preferred Stock have received $10.00 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment (the "Series A Liquidation Preference "). Following the payment of the full amount of the Series A Liquidation Preference, no additional distributions will be made to the holders of shares of Series A Preferred Stock unless the holders of shares of Common Stock shall have received an amount per share (the "Common Adjustment") equal to the quotient obtained by dividing (i) the Series A Liquidation Preference by (ii) 1,000 (as adjusted for events such as stock splits, stock dividends and recapitalizations with respect to the Common Stock) (the "Adjustment Number"). Following the payment of the full amount of the Series A Liquidation Preference and the Common Adjustment in respect of all outstanding shares of Series A Preferred Stock and Common Stock, respectively, holders of Series A Preferred Stock and holders of shares of Common Stock shall receive their ratable and proportionate share of the remaining assets to be distributed in the ratio of the Adjustment Number to 1 with respect to such Preferred Stock and Common Stock, on a per share basis, respectively.

No Preemptive Rights

The Articles preclude any shareholder of the Company from having preemptive rights. The Common Stock has no sinking fund, conversion or exchange rights. Shares of Series A Preferred Stock are not redeemable but are subject to conversion in the event of certain significant corporate transactions as describe below under "Potential Anti-Takeover Effects." The absence of preemptive rights for both Common Stock and Preferred Stock could result in a dilution of the interest of investors should additional capital stock be issued.

Restrictions on Amendments to the Articles

The Articles may not be amended in any manner that would materially alter or change the powers, preferences or special rights of the Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of a majority or more of the outstanding shares of the Series A Preferred Stock, voting separately as a class.

Listing

The Common Stock is currently traded on the Nasdaq Capital Market under the symbol "IMBI."

Potential Anti-Takeover Effects

The Charter Documents and the MBCA contain certain provisions that may discourage an unsolicited takeover of the Company or make an unsolicited takeover of the Company more difficult. The following are some of the more significant anti-takeover provisions that are applicable to the Company:

Automatic Conversion of Series A Preferred Stock into Common Stock

In the event the Company enters into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case the shares of Series A Preferred Stock will at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment set forth below) equal to 1,000 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Company shall at any time after the Rights Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Junior Participating Cumulative Preferred Stock shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

The Shareholder Rights Plan

The provisions of the Shareholder Rights Plan could have the effect of delaying, deferring, or preventing a change of control of the Company and could discourage bids for the Common Stock at a premium over the market price of the Common Stock. The Rights initially trade together with the Common Stock and are not exercisable. Subject to certain exceptions specified in the Shareholder Rights Plan, the Rights will separate from the common stock and become exercisable following (i) the tenth calendar day after a public announcement or filing that a person or group has become an "Acquiring Person," which is defined as a person who has acquired, or obtained the right to

acquire, beneficial ownership of 4.99% or more of the Common Stock then outstanding, subject to certain exceptions, or (ii) the tenth calendar day (or such later date as may be determined by the Board) after any person or group commences a tender or exchange offer, the consummation of which would result in a person or group becoming an Acquiring Person. If a person or group becomes an Acquiring Person, each Right will entitle its holders (other than such Acquiring Person) to purchase one Unit at a price of $90.00 per Unit. A Unit is intended to give the shareholder approximately the same dividend, voting and liquidation rights as would one share of Common Stock, and should approximate the value of one share of Common Stock. At any time after a person becomes an Acquiring Person, the Board may exchange all or part of the outstanding Rights (other than those held by an Acquiring Person) for shares of Common Stock at an exchange rate of one share of Common Stock (and, in certain circumstances, a Unit) for each Right.

The Rights will expire upon certain events described in the Shareholder Rights Plan, including the close of business on the date of the third annual meeting of shareholders following the Company's last annual meeting of shareholders at which the Shareholder Rights Plan was most recently approved by shareholders, unless the Shareholder Rights Plan is re-approved by shareholders at that third annual meeting of shareholders. However, in no event will the Shareholder Rights Plan expire later than the close of business on July 13, 2025. The Plan was approved by the Company's shareholders at the 2019 annual meeting of shareholders.

Special Meetings of Shareholders; Shareholder Action by Unanimous Written Consent; and Advance Notice of Shareholder Business Proposals and Nominations

Section 302A.433 of the MBCA provides that special meetings of the Company's shareholders may be called by the Company's chief executive officer, chief financial officer, two or more directors, or shareholders holding 10% or more of the voting power of all shares entitled to vote, except that a special meeting demanded by shareholders for the purpose of considering any action to directly or indirectly facilitate or effect a business combination, including any action to change or otherwise affect the composition of the Board for that purpose, must be called by 25% or more of the voting power of all shares entitled to vote. Section 302A.441 of the MBCA also provides that action may be taken by shareholders without a meeting only by unanimous written consent. The Bylaws provide an advance written notice procedure with respect to shareholder proposals of business and shareholder nominations of candidates for election as directors. Shareholders at an annual meeting are able to consider only the proposals and nominations specified in the notice of meeting or otherwise brought before the meeting by or at the direction of the Board or by a shareholder that has delivered timely written notice in proper form to the Company's Secretary of the business to be brought before the meeting.

Control Share Provision

Section 302A.671 of the MBCA applies, with certain exceptions, to any acquisition of the Company's voting stock (from a person other than the Company and other than in connection with certain mergers and exchanges to which the Company is a party) resulting in the acquiring person owning 20% or more of the Company's voting stock then outstanding. Section 302A.671 requires approval of any such acquisitions by both (i) the affirmative vote of the holders of a majority of the shares entitled to vote, including shares held by the acquiring person, and (ii) the affirmative vote of the holders of a majority of the shares entitled to vote, excluding all interested shares. In general, shares acquired in the absence of such approval are denied voting rights and are redeemable at their then fair market value by the Company within 30 days after the acquiring person has failed to give a timely information statement to the Company or the date the shareholders voted not to grant voting rights to the acquiring person's shares.

Business Combination Provision

Section 302A.673 of the MBCA generally prohibits the Company or any of its subsidiaries from entering into any merger, share exchange, sale of material assets or similar transaction with a 10% shareholder within four years following the date the person became a 10% shareholder, unless either the transaction or the person's acquisition of shares is approved prior to the person becoming a 10% shareholder by a committee of all of the disinterested members of the Board.

Takeover Offer; Fair Price

Under Section 302A.675 of the MBCA, an offeror may not acquire shares of a publicly held corporation within two years following the last purchase of shares pursuant to a takeover offer with respect to that class, including acquisitions made by purchase, exchange, merger, consolidation, partial or complete liquidation, redemption, reverse stock split, recapitalization, reorganization, or any other similar transaction, unless (i) the acquisition is approved by a committee of the board's disinterested directors before the purchase of any shares by the offeror pursuant to the earlier takeover offer, or (ii) shareholders are afforded, at the time of the proposed acquisition, a reasonable opportunity to dispose of the shares to the offeror upon substantially equivalent terms as those provided in the earlier takeover offer.

Greenmail Restrictions

Under Section 302A.553 of the MBCA, a corporation is prohibited from buying shares at an above-market price from a greater than 5% shareholder who has held the shares for less than two years unless (i) the purchase is approved by holders of a majority of the outstanding shares entitled to vote or (ii) the corporation makes an equal or better offer to all shareholders for all other shares of that class or series and any other class or series into which they may be converted.

Authority of the Board

The Board has the power to issue any or all of the shares of the Company's capital stock, including the authority to establish one or more series of Preferred Stock, setting forth the designation of each such series and fixing the relative rights and preferences for each such series, without seeking shareholder approval in most instances. In addition, under the Bylaws, the Board has the right to fill vacancies of the Board (including a vacancy created by an increase in the size of the Board).

Exhibit 21

SUBSIDIARIES OF THE REGISTRANT

All of the Company's subsidiaries listed below are wholly owned.

Name	State of Incorporation or Organization
ValueVision Interactive, Inc.	Minnesota
VVI Fulfillment Center, Inc.	Minnesota
ValueVision Media Acquisitions, Inc.	Delaware
ValueVision Retail, Inc.	Delaware
Norwell Television, LLC	Delaware
PW Acquisition Company, LLC	Minnesota
FL Acquisition Company	Minnesota
JWH Acquisition Company	Minnesota
867 Grand Avenue, LLC	Minnesota
TCO, LLC (51% owned)	Delaware
Portal Acquisition Company (wholly owned)	Minnesota
iMedia & 123tv Holding GmbH (wholly owned)	domiciled in Germany

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-239857, 333-217216, 333-214061, and 333-203209 on Form S-3 and 333-239832, 333-233700, 333-225833, 333-214063, 333-190982, 333-175320, 333-175319, 333-139597, 333-125183 and 333-81438 on Form S-8 of our report dated April 16, 2021, relating to the consolidated financial statements of iMedia Brands, Inc. and subsidiaries (formerly known as EVINE Live Inc.), appearing in this Annual Report on Form 10-K of iMedia Brands, Inc. for the year ended January 29, 2022.

/s/ DELOITTE & TOUCHE LLP

Minneapolis, Minnesota
April 29, 2022

Exhibit 31.1

CERTIFICATION

I, Timothy A. Peterman, certify that:

1. I have reviewed this report on Form 10-K of iMedia Brands, Inc.;

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(s) 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(s) 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 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 controls over financial reporting.

Date: April 29, 2022

/s/ TIMOTHY A. PETERMAN

Timothy A. Peterman

Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Timothy A. Peterman, certify that:

1. I have reviewed this report on Form 10-K of iMedia Brands, Inc.;

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(s) 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(s) 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 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 controls over financial reporting.

Date: April 29, 2022

/s/ Montgomery Wageman

Montgomery Wageman

Chief Financial Officer

Exhibit 32

CERTIFICATION OF THE CHIEF EXECUTIVE AND FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of iMedia Brands, Inc., a Minnesota corporation (the "Company"), for the fiscal year ended January 29, 2022, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), the undersigned officers of the Company certify pursuant to 18 U.S.C. Section 1350, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to their knowledge:

- 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.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: April 29, 2022

/s/ TIMOTHY A. PETERMAN

Timothy A. Peterman

Chief Executive Officer & Interim Chief Financial Officer

Exhibit 10.74

EXECUTION VERSION

SECOND AMENDMENT TO
LOAN AND SECURITY AGREEMENT

THIS SECOND AMENDMENT TO LOAN AND SECURITY AGREEMENT (this "***Amendment***"), dated as of December 27, 2021, is entered into by and among IMEDIA BRANDS, INC., a Minnesota corporation ("***iMedia***" or "***Borrowing Agent***"), VALUEVISION INTERACTIVE, INC., a Minnesota corporation ("***Value Interactive***"), VALUEVISION RETAIL, INC., a Delaware corporation ("***Value Retail***"), PW ACQUISITION COMPANY, LLC, a Minnesota limited liability company (" ***PW Acquisition***"), FL ACQUISITION COMPANY, a Minnesota corporation (" ***FL Acquisition***"), VALUEVISION MEDIA ACQUISITIONS, INC., a Delaware corporation ("***Value Media***"), TCO, LLC, a Delaware limited liability company (" ***TCO***"), JWH ACQUISITION COMPANY, a Minnesota corporation (" ***JWH Acquisition***"), NORWELL TELEVISION, LLC, a Delaware limited liability company ("***Norwell***"), 867 GRAND AVENUE LLC, a Minnesota limited liability company (" ***867 Grand Avenue*** " and together with iMedia, Value Interactive, Value Retail, PW Acquisition, FL Acquisition, Value Media, TCO, JWH Acquisition, Norwell, and any other Person who from time to time becomes a Borrower under the Loan Agreement, collectively, the "***Borrowers***" and each individually, a "***Borrower***"), VVI FULFILLMENT CENTER, INC., a Minnesota corporation ("***VVI Fulfillment***"), EP PROPERTIES, LLC, a Minnesota limited liability company ("***EP Properties***"), PORTAL ACQUISITION COMPANY, a Minnesota corporation (" ***Portal***" and together with VVI Fulfillment, EP Properties, and any other Affiliates of the Borrowers who become signatory to the Loan Agreement from time to time as guarantors, if any, each a "***Guarantor***" and collectively, the " ***Guarantors***"), **SIENA LENDING GROUP LLC**, as a lender ("***Siena***" and together with any other financial institutions who become part to the Loan Agreement referred to below from time to time, each a "***Lender***" and collectively, the " ***Lenders***") and **SIENA LENDING GROUP LLC** , as administrative and collateral agent for the Lenders (in such capacity, the "***Agent***"). Terms used herein without definition shall have the meanings ascribed to them in the Loan Agreement defined below.

RECITALS

A. Agent, Lenders and Borrowers have previously entered into that certain Loan and Security Agreement dated as of July 30, 2021 (as amended, modified and supplemented from time to time, the "***Loan Agreement***"), pursuant to which Lenders have made certain loans and financial accommodations available to Borrowers.

B. Borrowers have requested that Agent and Lenders amend the Loan Agreement, in each case on the terms and conditions set forth herein.

C. Agent and Lenders are willing to amend the Loan Agreement, on the terms and conditions set forth herein.

D. Borrowers are entering into this Amendment with the understanding and agreement that, except as specifically provided herein, none of Agent's or any Lender's rights or remedies as set forth in the Loan Agreement or any other Loan Document are being waived or modified by the terms of this Amendment.

AGREEMENT

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

1. Amendment to Loan Agreement. ***Schedule E*** to the Loan Agreement is hereby deleted in its entirety and replaced with the schedule in the form of ***Exhibit A*** attached hereto.

2. Effectiveness of this Amendment. This Amendment shall become effective upon the satisfaction, as determined by Agent, of the following conditions:

(a) Amendment. Agent shall have received this Amendment fully executed by the other parties hereto;

(b) Representations and Warranties. The representations and warranties set forth herein and in the Loan Agreement must true and correct in all material respects (without duplication of materiality qualifiers therein) as of the date hereof (or to the extent any representations or warranties are expressly made solely as of an earlier date, such representations and warranties shall be true and correct in all material respects (without duplication of materiality qualifiers therein) as of such earlier date); and

(c) Other Required Documentation. All other documents and legal matters in connection with the transactions contemplated by this Amendment shall have been delivered or executed or recorded, as reasonably required by Agent in its Permitted discretion.

3. Representations and Warranties. Each Loan Party represents and warrants as follows:

(a) Authority. Such Loan Party has the requisite corporate power and authority to execute and deliver this Amendment, and to perform its obligations hereunder, under the Loan Agreement (as amended or modified hereby) and under the other Loan Documents to which it is a party. The execution, delivery and performance by such Loan Party of this Amendment have been duly approved by all necessary corporate action and no other corporate proceedings are necessary to consummate such transactions.

(b) Enforceability. This Amendment has been duly executed and delivered by each Loan Party. This Amendment, the Loan Agreement (as amended or modified hereby) and each other Loan Document is the legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party in accordance with its terms, and is in full force and effect.

(c) Representations and Warranties. The representations and warranties contained in the Loan Agreement and each other Loan Document (other than any such representations or warranties that, by their terms, are specifically made as of a date other than the date hereof) are correct on and as of the date hereof as though made on and as of the date hereof.

(d) Due Execution. The execution, delivery and performance of this Amendment are within the power of each Loan Party, have been duly authorized by all necessary corporate action, have received all necessary governmental approval, if any, and do not contravene any law or any contractual restrictions binding on any Loan Party.

(e) No Default. No event has occurred and is continuing that constitutes a Default or an Event of Default.

4. Choice of Law. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED THEREIN WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW). FURTHER, THE LAW OF THE STATE OF NEW YORK SHALL APPLY TO ALL DISPUTES OR CONTROVERSIES ARISING OUT OF OR CONNECTED TO OR WITH THIS

AMENDMENT AND ALL SUCH RELATED LOAN DOCUMENTS WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW).

5. Counterparts; Facsimile Signatures. This Amendment may be executed in any number of and by different parties hereto on separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by e-mail, Docusign, facsimile or other similar form of electronic transmission shall be deemed to be an original signature hereto.

6. Reference to and Effect on the other Loan Documents .

(a) Upon and after the effectiveness of this Amendment, each reference in the Loan Agreement to " ***this Agreement***", "***hereunder***", "***hereof***" or words of like import referring to the Loan Agreement, and each reference in the other Loan Documents to "***the Loan Agreement***", "***thereof***" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as modified and amended hereby.

(b) Except as specifically amended above, the Loan Agreement and all other Loan Documents, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed and shall constitute the legal, valid, binding and enforceable obligations of Borrowers to Agent and Lenders.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of Agent or any Lender under the Loan Agreement or any of the other Loan Documents, nor constitute a waiver of any provision of the Loan Agreement or any of the other Loan Documents.

(d) To the extent that any terms and conditions in any of the other Loan Documents shall contradict or be in conflict with any terms or conditions of the Loan Agreement, after giving effect to this Amendment, such terms and conditions are hereby deemed modified or amended accordingly to reflect the terms and conditions of the Loan Agreement as modified or amended hereby.

7. Integration. This Amendment, together with the Loan Agreement and the other Loan Documents, incorporates all negotiations of the parties hereto with respect to the subject matter hereof and is the final expression and agreement of the parties hereto with respect to the subject matter hereof.

8. Severability. If any part of this Amendment is contrary to, prohibited by, or deemed invalid under Applicable Laws, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible.

9. Guarantors' Acknowledgment. With respect to the amendments to the Loan Agreement effected by this Amendment, each Guarantor hereby acknowledges and agrees to this Amendment and confirms and agrees that its Guaranty (as modified and supplemented in connection with this Amendment) is and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that, upon the effectiveness of, and on and after the date of this Amendment, each reference in such Guaranty to the Loan Agreement, "***thereunder***", "***thereof***" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as amended or modified by this Amendment. Although Lender has informed the Guarantors of the matters set forth above, and each Guarantor has acknowledged the same, each Guarantor understands and agrees that Lender has no duty

under the Loan Agreement, any Guaranty or any other agreement with any Guarantor to so notify any Guarantor or to seek such an acknowledgement, and nothing contained herein is intended to or shall create such a duty as to any transaction hereafter.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties have entered into this Amendment as of the date first above written.

BORROWERS:

IMEDIA BRANDS, INC.

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

VALUEVISION RETAIL, INC.

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

FL ACQUISITION COMPANY

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

PW ACQUISITION COMPANY, LLC

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

VALUEVISION MEDIA ACQUISITIONS, INC.

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

TCO, LLC

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

JWH ACQUISITION COMPANY

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

NORWELL TELEVISION, LLC

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

867 GRAND AVENUE LLC

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

VALUEVISION INTERACTIVE, INC.

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

GUARANTORS:

VVI FULFILLMENT CENTER, INC.

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

EP PROPERTIES, LLC

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

PORTAL ACQUISITION COMPANY

By: /s/ Tim Peterman
Name: Tim Peterman
Its: CEO

IMEDIA&123TV HOLDING GMBH

By: /s/ Tim Peterman
Name: Tim Peterman
Its: Managing Director

SIENA LENDING GROUP LLC, as Agent

By: /s/ Renee Singer
Name: Renee Singer
Title: Authorized Signatory

By: /s/ Steven Sanicola
Name: Steven Sanicola
Title: Authorized Signatory

SIENA LENDING GROUP LLC, as Lender

By: /s/ Renee Singer
Name: Renee Singer
Title: Authorized Signatory

By: /s/ Steven Sanicola
Name: Steven Sanicola
Title: Authorized Signatory

[Signature Page for Second Amendment to Loan and Security Agreement]

Exhibit A
to
Second Amendment to Loan and Security Agreement

Schedule E

Financial Covenants

(a) **Minimum Liquidity.** Borrowers shall not permit Minimum Liquidity as of the end of any fiscal month to be less than $7,500,000; ***provided, that,*** if, as of any Testing Date (as defined below) as set forth in paragraph (b) of this Schedule E, Borrowers fail to maintain Senior Net Leverage Ratio for the trailing twelve month period ended on such Testing Date of less than 2.50:1.00, then for the entirety of the immediately subsequent fiscal quarter, Borrowers shall not permit Minimum Liquidity measured as of the last day of any fiscal month in such fiscal quarter, to be less than $15,000,000. If and when the Minimum Liquidity threshold has been automatically increased pursuant to the immediately foregoing sentence, the Minimum Liquidity threshold will remain at $15,000,000 until Borrowers deliver evidence satisfactory to Agent in its Permitted Discretion that Borrowers maintained a Senior Net Leverage Ratio of less than 2.50:1.00, for the most recent trailing twelve month period then ended as measured on the most recent Testing Date then ended, at which point, the Borrowers' Minimum Liquidity threshold shall automatically revert to $7,500,000 for the entirety of the immediately subsequent fiscal quarter.

(b) **Maximum Senior Net Leverage Ratio**. Loan Parties shall maintain a Senior Net Leverage Ratio of not greater than the applicable ratio set forth in the table immediately below, and corresponding to the applicable time period, which shall be tested as of the last day of each fiscal quarter (the "Testing Date") of Loan Parties:

Trailing Twelve Month Period	**Senior Net Leverage Ratio**
Period ending on Testing Date October 30, 2021	3.50:1.00
Period ending on Testing Date January 29, 2022	3.50:1.00
Period ending on Testing Date April 30, 2022	3.25:1.00
Period ending on Testing Date July 30, 2022	3.00:1.00
Period ending on Testing Date October 29, 2022	2.75:1.00
Period ending on Testing Date January 28, 2023	2.75:1.00
Period ending on Testing Date April 29, 2023 and thereafter	2.50:1.00

Exhibit 10.75

EXECUTION VERSION

THIRD AMENDMENT TO
LOAN AND SECURITY AGREEMENT

THIS THIRD AMENDMENT TO LOAN AND SECURITY AGREEMENT (this " ***Amendment***"), dated as of February 25, 2022, is entered into by and among IMEDIA BRANDS, INC., a Minnesota corporation ("***iMedia***" or "***Borrowing Agent***"), VALUEVISION INTERACTIVE, INC., a Minnesota corporation (" ***Value Interactive***"), VALUEVISION RETAIL, INC., a Delaware corporation ("***Value Retail***"), PW ACQUISITION COMPANY, LLC, a Minnesota limited liability company (" ***PW Acquisition***"), FL ACQUISITION COMPANY, a Minnesota corporation (" ***FL Acquisition*** "), VALUEVISION MEDIA ACQUISITIONS, INC., a Delaware corporation ("***Value Media*** "), TCO, LLC, a Delaware limited liability company (" ***TCO***"), JWH ACQUISITION COMPANY, a Minnesota corporation (" ***JWH Acquisition***"), NORWELL TELEVISION, LLC, a Delaware limited liability company ("***Norwell***"), 867 GRAND AVENUE LLC, a Minnesota limited liability company (" ***867 Grand Avenue*** " and together with iMedia, Value Interactive, Value Retail, PW Acquisition, FL Acquisition, Value Media, TCO, JWH Acquisition, Norwell, and any other Person who from time to time becomes a Borrower under the Loan Agreement, collectively, the " ***Borrowers***" and each individually, a "***Borrower***"), VVI FULFILLMENT CENTER, INC., a Minnesota corporation ("***VVI Fulfillment***"), EP PROPERTIES, LLC, a Minnesota limited liability company ("***EP Properties***"), PORTAL ACQUISITION COMPANY, a Minnesota corporation (" ***Portal***"), IMEDIA&123TV HOLDING GMBH ("***iMedia&123tv Holding***" and together with VVI Fulfillment, EP Properties, Portal and any other Affiliates of the Borrowers who become signatory to the Loan Agreement from time to time as guarantors, if any, each a "***Guarantor***" and collectively, the " ***Guarantors***"), **SIENA LENDING GROUP LLC** , as a lender ("***Siena***" and together with any other financial institutions who become part to the Loan Agreement referred to below from time to time, each a "***Lender***" and collectively, the "***Lenders***") and **SIENA LENDING GROUP LLC** , as administrative and collateral agent for the Lenders (in such capacity, the "***Agent***"). Terms used herein without definition shall have the meanings ascribed to them in the Loan Agreement defined below.

RECITALS

A. Agent, Lenders and Borrowers have previously entered into that certain Loan and Security Agreement dated as of July 30, 2021 (as amended, modified and supplemented from time to time, the "***Loan Agreement***"), pursuant to which Lenders have made certain loans and financial accommodations available to Borrowers.

B. Borrowers have requested that Agent and Lenders amend the Loan Agreement, in each case on the terms and conditions set forth herein.

C. Agent and Lenders are willing to amend the Loan Agreement, on the terms and conditions set forth herein.

D. Borrowers are entering into this Amendment with the understanding and agreement that, except as specifically provided herein, none of Agent's or any Lender's rights or remedies as set forth in the Loan Agreement or any other Loan Document are being waived or modified by the terms of this Amendment.

AGREEMENT

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

1. Amendments to Loan Agreement. As of the effective date of this Amendment, the Loan Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: stricken text) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth on the pages of the Loan Agreement attached as Exhibit A hereto.

2. Amendment Fee. In consideration of the agreements set forth herein, Borrowers hereby agree to jointly and severally pay to Agent for the benefit of the Lenders an amendment fee in the amount of $100,000 (the "***Amendment Fee***"), which fee is non-refundable when paid and is fully-earned as of and due and payable on the date of this Amendment.

3. Effectiveness of this Amendment. This Amendment shall become effective upon the satisfaction, as determined by Agent, of the following conditions:

(a) Amendment. Agent shall have received this Amendment fully executed by the other parties hereto;

(b) Amendment Fee. Agent shall have received the Amendment Fee, which may be paid as a charge to Borrowers' Loan Account. Borrowers hereby authorize Agent to charge Borrower's Loan Account in full payment of such Amendment Fee on the date of this Amendment;

(c) Representations and Warranties. The representations and warranties set forth herein and in the Loan Agreement must true and correct in all material respects (without duplication of materiality qualifiers therein) as of the date hereof (or to the extent any representations or warranties are expressly made solely as of an earlier date, such representations and warranties shall be true and correct in all material respects (without duplication of materiality qualifiers therein) as of such earlier date); and

(d) Other Required Documentation. All other documents and legal matters in connection with the transactions contemplated by this Amendment shall have been delivered or executed or recorded, as reasonably required by Agent in its Permitted discretion.

4. Representations and Warranties. Each Loan Party represents and warrants as follows:

(a) Authority. Such Loan Party has the requisite corporate power and authority to execute and deliver this Amendment, and to perform its obligations hereunder, under the Loan Agreement (as amended or modified hereby) and under the other Loan Documents to which it is a party. The execution, delivery and performance by such Loan Party of this Amendment have been duly approved by all necessary corporate action and no other corporate proceedings are necessary to consummate such transactions.

(b) Enforceability. This Amendment has been duly executed and delivered by each Loan Party. This Amendment, the Loan Agreement (as amended or modified hereby) and each other Loan Document is the legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party in accordance with its terms, and is in full force and effect.

(c) Representations and Warranties. The representations and warranties contained in the Loan Agreement and each other Loan Document (other than any such representations or warranties that, by their terms, are specifically made as of a date other than the date hereof) are correct on and as of the date hereof as though made on and as of the date hereof.

(d) Due Execution. The execution, delivery and performance of this Amendment are within the power of each Loan Party, have been duly authorized by all necessary corporate action, have

received all necessary governmental approval, if any, and do not contravene any law or any contractual restrictions binding on any Loan Party.

(e) No Default. No event has occurred and is continuing that constitutes a Default or an Event of Default.

5. Choice of Law. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED THEREIN WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW). FURTHER, THE LAW OF THE STATE OF NEW YORK SHALL APPLY TO ALL DISPUTES OR CONTROVERSIES ARISING OUT OF OR CONNECTED TO OR WITH THIS AMENDMENT AND ALL SUCH RELATED LOAN DOCUMENTS WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW).

6. Counterparts; Facsimile Signatures. This Amendment may be executed in any number of and by different parties hereto on separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by e-mail, Docusign, facsimile or other similar form of electronic transmission shall be deemed to be an original signature hereto.

7. Reference to and Effect on the other Loan Documents .

(a) Upon and after the effectiveness of this Amendment, each reference in the Loan Agreement to " ***this Agreement***", "***hereunder***", "***hereof***" or words of like import referring to the Loan Agreement, and each reference in the other Loan Documents to "***the Loan Agreement***", "***thereof***" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as modified and amended hereby.

(b) Except as specifically amended above, the Loan Agreement and all other Loan Documents, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed and shall constitute the legal, valid, binding and enforceable obligations of Borrowers to Agent and Lenders.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of Agent or any Lender under the Loan Agreement or any of the other Loan Documents, nor constitute a waiver of any provision of the Loan Agreement or any of the other Loan Documents.

(d) To the extent that any terms and conditions in any of the other Loan Documents shall contradict or be in conflict with any terms or conditions of the Loan Agreement, after giving effect to this Amendment, such terms and conditions are hereby deemed modified or amended accordingly to reflect the terms and conditions of the Loan Agreement as modified or amended hereby.

8. Integration. This Amendment, together with the Loan Agreement and the other Loan Documents, incorporates all negotiations of the parties hereto with respect to the subject matter hereof and is the final expression and agreement of the parties hereto with respect to the subject matter hereof.

9. Severability. If any part of this Amendment is contrary to, prohibited by, or deemed invalid under Applicable Laws, such provision shall be inapplicable and deemed omitted to the extent so contrary,

prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible.

10. Guarantors' Acknowledgment. With respect to the amendments to the Loan Agreement effected by this Amendment, each Guarantor hereby acknowledges and agrees to this Amendment and confirms and agrees that its Guaranty (as modified and supplemented in connection with this Amendment) is and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that, upon the effectiveness of, and on and after the date of this Amendment, each reference in such Guaranty to the Loan Agreement, "***thereunder***", "***thereof***" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as amended or modified by this Amendment. Although Lender has informed the Guarantors of the matters set forth above, and each Guarantor has acknowledged the same, each Guarantor understands and agrees that Lender has no duty under the Loan Agreement, any Guaranty or any other agreement with any Guarantor to so notify any Guarantor or to seek such an acknowledgement, and nothing contained herein is intended to or shall create such a duty as to any transaction hereafter.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties have entered into this Amendment as of the date first above written.

BORROWERS:

IMEDIA BRANDS, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

VALUEVISION RETAIL, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

FL ACQUISITION COMPANY

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

PW ACQUISITION COMPANY, LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

VALUEVISION MEDIA ACQUISITIONS, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

TCO, LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

JWH ACQUISITION COMPANY

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

NORWELL TELEVISION, LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

867 GRAND AVENUE LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

VALUEVISION INTERACTIVE, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

GUARANTORS:

VVI FULFILLMENT CENTER, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

EP PROPERTIES, LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

PORTAL ACQUISITION COMPANY

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

IMEDIA&123TV HOLDING GMBH

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: Managing Director

SIENA LENDING GROUP LLC, as Agent

By: /s/ Renee Singer
Name: Renee Singer
Title: Authorized Signatory

By: /s/ Steven Sanicola
Name: Steven Sanicola
Title: Authorized Signatory

SIENA LENDING GROUP LLC, as Lender

By: /s/ Renee Singer
Name: Renee Singer
Title: Authorized Signatory

By: /s/ Steven Sanicola
Name: Steven Sanicola
Title: Authorized Signatory

Exhibit A to Third Amendment to Loan and Security Agreement

[Attached]

Exhibit A to Third Amendment to Loan and Security Agreement

LOAN AND SECURITY AGREEMENT

Dated as of July 30, 2021

among

SIENA LENDING GROUP LLC,

as Agent,

SIENA LENDING GROUP LLC,

and the other financial institutions party hereto from time to time,

as Lenders

IMEDIA BRANDS, INC.,
VALUEVISION RETAIL, INC.,
FL ACQUISITION COMPANY,
PW ACQUISITION COMPANY, LLC,
VALUEVISION MEDIA ACQUISITIONS, INC.,
TCO, LLC,
JWH ACQUISITION COMPANY,
NORWELL TELEVISION, LLC,
867 GRAND AVENUE LLC,
VALUEVISION INTERACTIVE, INC.,

as Borrowers

and

VVI FULFILLMENT CENTER, INC.,
EP PROPERTIES, LLC,
PORTAL ACQUISITION COMPANY,
IMEDIA&123TV HOLDING GmbH

as Guarantors

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Loan and Security Agreement

This Loan and Security Agreement (as it may be amended, restated or otherwise modified from time to time, this "***Agreement***") is entered into as of July 30, 2021 among (1) SIENA LENDING GROUP LLC, as agent for the Lenders (in such capacity, together with its successors and assigns "***Agent***"), (2) the lenders from time to time party hereto (each of such lenders, together with its successors and permitted assigns, is referred to hereinafter as a "***Lender***"), (3) IMEDIA BRANDS, INC., a Minnesota corporation ("***iMedia***"), VALUEVISION INTERACTIVE, INC., a Minnesota corporation (" ***Value Interactive*** "), VALUEVISION RETAIL, INC., a Delaware corporation ("***Value Retail***"), PW ACQUISITION COMPANY, LLC, a Minnesota limited liability company ("***PW Acquisition***"), FL ACQUISITION COMPANY, a Minnesota corporation (" ***FL Acquisition***"), VALUEVISION MEDIA ACQUISITIONS, INC., a Delaware corporation ("***Value Media***"), TCO, LLC, a Delaware limited liability company ("***TCO***"), JWH ACQUISITION COMPANY, a Minnesota corporation (" ***JWH Acquisition***"), NORWELL TELEVISION, LLC, a Delaware limited liability company ("***Norwell***"), and 867 GRAND AVENUE LLC, a Minnesota limited liability company (" ***867 Grand Avenue***" and together with iMedia, Value Interactive, Value Retail, PW Acquisition, FL Acquisition, Value Media, TCO, JWH Acquisition, Norwell, and any other Person who from time to time becomes a Borrower hereunder, collectively, the "***Borrowers***" and each individually, a "***Borrower***") and (4) VVI FULFILLMENT CENTER, INC., a Minnesota corporation ("***VVI Fulfillment***"), EP PROPERTIES, LLC, a Minnesota limited liability company ("***EP Properties***"), PORTAL ACQUISITION COMPANY, a Minnesota corporation ("***Portal***"), IMEDIA&123TV HOLDING GmbH ("***iMedia&123tv Holding***") and each other of the Affiliates of the Borrowers signatory to this Agreement from time to time as guarantors, if any (each a "***Guarantor***" and collectively, the "***Guarantors***"). The Schedules and Exhibits to this Agreement are an integral part of this Agreement and are incorporated herein by reference. Terms used, but not defined elsewhere, in this Agreement are defined in Schedule B.

1. LOANS AND LETTERS OF CREDIT.

1.1 Amount of Loans / Letters of Credit.

(a) **Revolving Loans and Letters of Credit.** Subject to the terms and conditions contained in this Agreement, including Sections 1.3 and 1.6, each Lender with a Revolving Loan Commitment shall (severally, not jointly and severally) from time to time prior to the Maturity Date, at Borrowing Agent's request, (i) make revolving loans to Borrowers ("***Revolving Loans***"), and (ii) make, or cause or permit a Participant (as defined in Section 10.10) to make, letters of credit ("***Letters of Credit***") available to Borrowers in an amount not to exceed such Lender's Pro Rata Share of such Revolving Loans and/or Letters of Credit; ***provided***, that after giving effect to each such Revolving Loan and each such Letter of Credit, (A) the outstanding balance of all Revolving Loans and the Letter of Credit Balance will not exceed the lesser of (x) the Maximum Revolving Facility Amount, and (y) the Borrowing Base, and (B) none of the other Loan Limits for Revolving Loans will be exceeded. All Revolving Loans shall be made in and repayable in Dollars. Any Revolving Loans repaid may be reborrowed in accordance with the terms herein.

1.2 Reserves re Revolving Loans / Letters of Credit. Agent may, from time to time, establish and revise reserves against the Borrowing Base in such amounts and of such types as Agent deems appropriate in its Permitted Discretion ("***Reserves***"); provided that, the amount of any Reserve established by Agent shall have a reasonable relationship to the event, condition, other circumstance, or fact that is the basis for such Reserve. To the extent that an event, condition or circumstance as to any eligible asset is addressed pursuant to the treatment thereof within the applicable definition of such

terms, Agent shall not also establish a Reserve to address the same event, condition or circumstance. Such Reserves shall be available for Borrowing Agent to view in Passport 6.0 simultaneously with the imposition thereof; ***provided***, that, unless an Event of Default has occurred and is continuing, Agent shall provide email notice advising Borrowing Agent of such Reserves two (2) Business Days prior to the imposition of such Reserves (during which period (x) Agent shall be available to discuss any such proposed Reserves with the Borrowing Agent to afford the Borrowing Agent an opportunity to take such action as may be required so that the event, condition or circumstance that is the basis for such Reserve no longer exists in the manner and to the extent satisfactory to the Agent in its Permitted Discretion and (y) Borrowers may not obtain any new Revolving Loan or Letter of Credit to the extent that, after giving pro forma effect to such proposed Reserves, such Revolving Loan or Letter of Credit would cause the outstanding balance of all Revolving Loans and the Letter of Credit Balance to exceed the lesser of (a) the Maximum Revolving Facility Amount and (b) the Borrowing Base). Without limiting the foregoing, references to Reserves shall include the Dilution Reserve. In no event shall the establishment of a Reserve in respect of a particular actual or contingent liability obligate any Lender to make advances to pay such liability or otherwise obligate any Lender with respect thereto.

1.3 Protective Advances. Any contrary provision of this Agreement or any other Loan Document notwithstanding, Agent is hereby authorized by Borrowers at any time during the existence of a Default or an Event of Default, regardless of (a) whether any of the other applicable conditions precedent set forth in Section 1.6 hereof have not been satisfied or the commitment of Lenders to make Loans hereunder has been terminated for any reason, or (b) any other contrary provision of this Agreement, to make Revolving Loans to, or for the benefit of, Borrowers that Agent, in its sole discretion, deems necessary or desirable (i) to preserve or protect the Collateral, or any portion thereof, (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Loans and other Obligations, or (iii) to pay any other amount chargeable to Borrowers pursuant to the terms of this Agreement (the "***Protective Advances***"). Agent shall endeavor to provide written notice to Borrowers of the any such Protective Advance simultaneously with the making thereof, but Agent shall have no liability for failure to provide any such notice. Any contrary provision of this Agreement or any other Loan Document notwithstanding, Agent may direct the proceeds of any Protective Advance to Borrowers or to such other Person as Agent determines in its sole discretion. All Protective Advances shall be payable immediately upon demand.

1.4 Notice of Borrowing; Manner of Revolving Loan Borrowing. Borrowing Agent shall request each Revolving Loan by an Authorized Officer submitting such request via Passport 6.0 (or, if requested by Agent, by delivering, in writing or via an Approved Electronic Communication, a Notice of Borrowing substantially in the form of Exhibit A hereto) (each such request a "***Notice of Borrowing***"). Subject to the terms and conditions of this Agreement, including Sections 1.1 and 1.6, Agent shall, except as provided in Section 1.3, deliver the amount of the Revolving Loan requested in the Notice of Borrowing for credit to any account of Borrowers at a bank in the United States of America as Borrowing Agent may specify (***provided*** that such account must be one identified on Section 39 of the Information Certificates and approved by Agent as an account to be used for funding of loan proceeds) by wire transfer of immediately available funds (a) on the same day if the Notice of Borrowing is received by Agent on or before 11:00 a.m. Eastern Time on a Business Day, or (b) on the immediately following Business Day if the Notice of Borrowing is received by Agent after 11:00 a.m. Eastern Time on a Business Day, or is received by Agent on any day that is not a Business Day. Agent shall charge to the Revolving Loan Agent's usual and customary fees for the wire transfer of each Loan. The Revolving Loans shall be made by the Lenders contemporaneously and in accordance with their Pro Rata Shares. It is understood that (a) no Lender shall be responsible for any failure by any other Lender to perform its obligation to make the Revolving Loans (or other extension of credit) hereunder, nor shall any commitment of any Lender be increased or decreased as a result of any failure by any other Lender to

perform its obligations hereunder, and (b) no failure by any Lender to perform its obligations hereunder shall excuse any other Lender from its obligations hereunder.

1.5 Other Provisions Applicable to Letters of Credit. Lenders (acting through Agent) shall, on the terms and conditions set forth in this Agreement (including the terms and conditions set forth in Section 1.1 and Section 1.6), make Letters of Credit available to Borrowers either by issuing them, or by causing other financial institutions to issue them supported by Lenders' guaranty or indemnification; *provided*, that after giving effect to each Letter of Credit, the Letter of Credit Balance will not exceed the Letter of Credit Limit. Notwithstanding anything in this Agreement, the parties agree upon request of Borrower Agent and consent of the Required Lenders (not to be unreasonably withheld or delayed) that in connection with Lenders' option (acting through Agent) to make Letters of Credit available to Borrowers by causing other financial institutions (an "***Issuing Bank***") to issue Letters of Credit, Agent may cause or permit any Participant under this Agreement to cause other financial institutions to issue such Letters of Credit and thereafter (a) all such Letters of Credit shall be treated for all purposes under this Agreement as if such Letters of Credit were requested by Borrowing Agent and made available by Lenders in accordance with their Pro Rata Share, (b) such Participant's support of such Letters of Credit in the form of a guaranty or indemnification shall be treated as if such support had been made by Lenders in accordance with their Pro Rata Share, (c) Borrowers hereby unconditionally and irrevocably, jointly and severally agree to pay to Agent for the benefit of Lenders in accordance with their Pro Rata Share the amount of each payment or disbursement made by such Participant or the applicable issuer under any such Letter of Credit honoring any demand for payment thereunder upon demand in accordance with the reimbursement provisions of this Section 1.5 and agrees that such reimbursement obligations of Borrowers constitute Obligations under this Agreement, and (d) any and all amounts paid by such Participant or the applicable issuer in respect of any such Letter of Credit will, at the election of Agent, be treated for all purposes as a Revolving Loan, and be payable, in the same manner as a Revolving Loan. Borrowers agree to execute all documentation reasonably required by Agent and/or the issuer of any Letter of Credit in connection with any such Letter of Credit. Borrowers hereby unconditionally and irrevocably, jointly and severally agree to reimburse Lenders and/or the applicable issuer for each payment or disbursement made by Lenders and/or the applicable issuer under any Letter of Credit honoring any demand for payment made thereunder, in each case on the date that such payment or disbursement is made. Borrowers' reimbursement obligations hereunder shall be irrevocable and unconditional under all circumstances, including (w) any lack of validity or enforceability of any Letter of Credit, this Agreement or any other Loan Document, (x) the existence of any claim, set-off, defense or other right which any Loan Party may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), Agent, any Lender, any Participant, the applicable issuer under any Letter or Credit, or any other Person, whether in connection with any Letter of Credit, this Agreement, any other Loan Document, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between any Loan Party and the beneficiary named in any Letter of Credit), (y) any lack of validity, sufficiency or genuineness of any document which Agent or the applicable issuer has determined complies on its face with the terms of the applicable Letter of Credit, even if such document should later prove to have been forged, fraudulent, invalid or insufficient in any respect or any statement therein shall have been untrue or inaccurate in any respect, or (z) the surrender or impairment of any security for the performance or observance of any of the terms hereof. Any and all amounts paid by Agent and/or Lenders and any Participant in respect of a Letter of Credit will, at the election of Agent, be treated for all purposes as a Revolving Loan, and bear interest, and be payable, in the same manner as a Revolving Loan.

1.6 Conditions of Making the Loans and Issuing Letters of Credit. Each Lender's obligation to make any Loan or issue or cause any Letter of Credit to be issued under this Agreement is subject to the following conditions precedent (as well as any other conditions set forth in this Agreement

or any other Loan Document), all of which must be satisfied in a manner acceptable to Agent and Lenders (and as applicable, pursuant to documentation which in each case is in form and substance acceptable to Agent) as of each day that such Loan is made or such Letter of Credit is issued, as applicable:

(a) **Loans and Letters of Credit Made and/or Issued on the Closing Date:** With respect to Loans made, and/or Letters of Credit issued, on the Closing Date, (i) each applicable Loan Party shall have duly executed and/or delivered, or, as applicable, shall have caused such other applicable Persons to have duly executed and or delivered, to Agent such agreements, instruments, documents and/or certificates listed on the closing checklist attached hereto as ***Exhibit B***; (ii) Agent shall have completed its business and legal due diligence pertaining to the Loan Parties, their respective businesses and assets, with results thereof satisfactory to Agent in its sole discretion; (iii) each Lender's obligations and commitments under this Agreement shall have been approved by such Lender's Credit Committee; (iv) after giving effect to such Loans and Letters of Credit, as well as to the payment of all critical trade payables (other than those owing to AT&T Inc. and CSC Holdings, LLC and their respective Subsidiaries and Affiliates older than sixty (60) days past due and the consummation of all transactions contemplated hereby to occur on the Closing Date), closing costs and any book overdraft, Minimum Liquidity shall be no less than $20,000,000 and (v) Borrowers shall have paid to Agent all fees due on the date hereof, and shall have paid or reimbursed Agent for all of Agent's and Lenders' costs, charges and expenses incurred through the Closing Date (and in connection herewith, Borrowers hereby irrevocably authorize Agent to charge such fees, costs, charges and expenses as Revolving Loans); and

(b) **All Loans and/or Letters of Credit:** With respect to Loans made and/or Letters of Credit issued, on the Closing Date and/or at any time thereafter, in addition to the conditions specified in clause (a) above as applicable, (i) Borrowers shall have provided to Agent such information as Agent may require in order to determine the Borrowing Base, as of such borrowing or issue date, after giving effect to such Loans and/or Letters of Credit, as applicable; (ii) each applicable Loan Party shall have duly executed and/or delivered, or, as applicable, shall have caused such other applicable Persons to have duly executed and or delivered, to Agent such further agreements, instruments, documents, proxies and certificates as Agent may require in connection therewith; (iii) each of the representations and warranties set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects (without duplication of materiality qualifiers therein) as of the date such Loan is made and/or such Letter of Credit is issued (or to the extent any representations or warranties are expressly made solely as of an earlier date, such representations and warranties shall be true and correct in all material respects (without duplication of materiality qualifiers therein) as of such earlier date), both before and after giving effect thereto; and (iv) no Default or Event of Default shall be in existence, both before and after giving effect thereto.

1.7 Repayments.

(a) **Revolving Loans/Letters of Credit.** If at any time for any reason whatsoever (including without limitation as a result of currency fluctuations) (i) the sum of the outstanding balance of all Revolving Loans and the Letter of Credit Balance exceeds the lesser of (x) the Maximum Revolving Facility Amount and (y) the Borrowing Base, or (ii) any of the Loan Limits for Revolving Loans or Letters of Credit are exceeded, then in each case, Borrowers will immediately and jointly and severally pay to Agent (for the benefit of the Lenders) such amounts (or, with respect to the Letter of Credit Balance, provide cash collateral to Agent in the manner set forth in clause (c) below) as shall cause Borrowers to eliminate such excess (such excess, an "***Overadvance***").

(b) **Reserved**.

(c) **Maturity Date Payments / Cash Collateral.** All remaining outstanding monetary Obligations (including, all accrued and unpaid fees described in the Fee Letter) shall be payable in full on the Maturity Date. Without limiting the generality of the foregoing, if, on the Maturity Date, there are any outstanding Letters of Credit, then on such date Borrowers shall provide to Agent cash collateral in an amount equal to 103% of the Letter of Credit Balance to secure all of the Obligations (including estimated attorneys' fees and other expenses) relating to said Letters of Credit, pursuant to a cash pledge agreement in form and substance reasonably satisfactory to Agent.

(d) **Currency Due.** If, notwithstanding the terms of this Agreement or any other Loan Document, Agent receives any payment from or on behalf of Borrowers or any other Person in a currency other than the Currency Due, Agent may convert the payment (including the monetary proceeds of realization upon any Collateral and any funds then held in a cash collateral account) into the Currency Due at exchange rate selected by Agent in the manner contemplated by Section 6.2(b) and Borrowers shall jointly and severally reimburse Agent on demand for all reasonable costs they incur with respect thereto. To the extent permitted by law, the obligation shall be satisfied only to the extent of the amount actually received by Agent upon such conversion.

1.8 Prepayments / Voluntary Termination / Application of Prepayments.

(a) **Mandatory Prepayment.** In the event the value of Borrowers' Inventory, as so determined pursuant to such appraisal, is less than anticipated by Agent, such that the Revolving Loans against Eligible Inventory, Eligible In-Transit Inventory and Eligible Slow Moving Inventory, are in fact in excess of such Advances permitted hereunder, then, promptly upon Agent's demand for same, Borrowers shall make mandatory prepayments of the then outstanding Revolving Advances so as to eliminate the excess Advance.

(b) **Voluntary Termination of Loan Facilities.** Borrowers may, on at least ten (10) Business Days prior and irrevocable written notice received by Agent, permanently terminate the Loan facilities by repaying all of the outstanding Obligations, including all principal, interest and fees with respect to the Revolving Loans, and an Early Payment/Termination Premium in the amount specified in the paragraph under the heading "Early Termination Fee" in the Fee Letter; the foregoing notwithstanding, a Borrower may rescind such written notice if it states that the proposed payment in full of the Obligations is to be made with the proceeds of third party Indebtedness and if the closing for such Indebtedness does not happen on or before the date of the proposed termination set forth in such notice (in which case, a new notice shall be required to be sent in connection with any subsequent termination). If, on the date of a voluntary termination pursuant to this Section 1.8(b), there are any outstanding Letters of Credit, then on such date, and as a condition precedent to such termination, Borrowers shall provide to Agent cash collateral in an amount equal to 103% of the Letter of Credit Balance to secure all of the Obligations (including estimated documented attorneys' fees and other expenses which shall be reasonable prior to an Event of Default) relating to said Letters of Credit, pursuant to a cash pledge agreement in form and substance reasonably satisfactory to Agent. From and after such date of termination, Lenders shall have no obligation whatsoever to extend any additional Loans or Letters of Credit and all of its lending commitments hereunder shall be terminated.

1.9 Obligations Unconditional.

(a) The payment and performance of all Obligations shall constitute the absolute and unconditional obligations of each Loan Party and shall be independent of any defense or rights of set-off, recoupment or counterclaim which any Loan Party or any other Person might otherwise have against Agent, any Lender or any other Person. All payments required by this Agreement and/or the other Loan

Documents shall be made in Dollars (unless payment in a different currency is expressly provided otherwise in the applicable Loan Document).

(b) If, at any time and from time to time after the Closing Date (or at any time before or after the Closing Date with respect to (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines or directives thereunder or issued in connection therewith, or (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case for purposes of this clause (y) pursuant to Basel III, regardless of the date enacted, adopted or issued), (i) any change in any existing law, regulation, treaty or directive or in the interpretation or application thereof, (ii) any new law, regulation, treaty or directive enacted or application thereof, or (iii(i) any Change in Law or (ii) compliance by Agent or any Lender with any request or directive (whether or not having the force of law) from any Governmental Authority, central bank or comparable agency (A) subjects Agent or any Lender to any tax, levy, impost, deduction, assessment, charge or withholding of any kind whatsoever with respect to any Loan Document, or changes the basis of taxation of payments to Agent or any Lender of any amount payable thereunder (other than (1) Indemnified Taxes, (2) Excluded Taxes and (3) Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes), or (B) imposes on Agent or any Lender any other condition or increased cost in connection with the transactions contemplated thereby or participations therein, and the result of any of the foregoing is to increase the cost to Agent or any Lender of making or continuing any Loan or Letter of Credit or to reduce any amount receivable hereunder or under any other Loan Documents, then, in any such case, Borrowers shall promptly and jointly and severally pay to Agent or such Lender, when notified to do so by Agent or such Lender (together with a certificate provided by Agent or such Lender setting forth in reasonable detail the amount necessary to compensate such Lender or Agent, any additional amounts necessary to compensate Agent or such Lender, on an after-tax basis, for such additional cost or reduced amount as determined by Agent or such Lender; provided that Borrowers shall not be required to compensate Agent or any Lender for any increased costs or reductions incurred more than 180 days before the date that Agent or such Lender, as the case may be, notifies Borrowers of such change giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; provided, further, that, if such change giving rise to such increased costs or reductions is retroactive, then the 180 day period referred to above shall be extended to indicate the period of retroactive effect thereof. Each such notice of additional amounts payable pursuant to this Section 1.9(b) submitted by Agent or Lender to Borrowing Agent shall, absent manifest error, be final, conclusive and binding for all purposes.

(b) This Section 1.9 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Obligations.

1.10 Reversal of Payments. To the extent that any payment or payments made to or received by Agent or any Lender pursuant to this Agreement or any other Loan Document are subsequently invalidated, declared to be fraudulent or preferential, set aside, or required to be repaid to any trustee, receiver or other Person under any state, federal or other bankruptcy or other such applicable law, then, to the extent thereof, such amounts (and all Liens, rights and remedies therefore) shall be revived as Obligations (secured by all such Liens) and continue in full force and effect under this Agreement and under the other Loan Documents as if such payment or payments had not been received by Agent or such Lender. This Section 1.10 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Obligations.

1.11 Independent Obligations. The Revolving Loans shall be made by the Lenders contemporaneously and in accordance with their Pro Rata Shares. It is understood that (a) no Lender

shall be responsible for any failure by any other Lender to perform its obligation to make the Revolving Loans (or other extension of credit) hereunder, nor shall any commitment of any Lender be increased or decreased as a result of any failure by any other Lender to perform its obligations hereunder, and (b) no failure by any Lender to perform its obligations hereunder shall excuse any other Lender from its obligations hereunder.

1.12 Revolving Loans by Agent and Settlement Among Lenders.

(a) Agent, on behalf of the Lenders, shall disburse all loans and advances to the Borrowing Agent and shall handle all collections of Collateral and repayment of all Obligations. If Agent elects to require that any Lender make funds available to Agent, prior to a disbursement by Agent to Borrowing Agent, Agent shall advise each Lender by telephone, facsimile or e-mail of the amount of such Lender's Pro Rata Share of the Revolving Loan requested by Borrowers no later than noon (Eastern time) on the date of funding of such Revolving Loan, and each such Lender shall pay Agent on such date such Lender's Pro Rata Share of such requested Revolving Loan, in same day funds, by wire transfer to Agent's Account, or such other account as may be identified in writing by Agent to Lenders from time to time; provided, that no Lender shall have an obligation to make any Revolving Loan, if (i) one or more of the applicable conditions precedent set forth in Section 1.6 will not be satisfied on the requested date for the applicable Revolving Loan unless such condition has been waived, or (ii) the requested Revolving Loan would exceed the Excess Availability on such requested date for the applicable Revolving Loan. It is understood that for purposes of advances to the Borrowing Agent and for purposes of this Section 1.12, unless Agent has made the election referred to in the immediately preceding sentence, Agent will be using the funds of Agent, and pending settlement, all interest accruing on such advances shall be payable to Agent.

(b) Unless Agent shall have been notified in writing by any Lender prior to any advance to the Borrowing Agent that such Lender will not make the amount which would constitute its Pro Rata Share of the borrowing on such date available to Agent, Agent may assume that such Lender shall make such amount available to Agent on a Settlement Date, and in reliance upon such assumption, Agent may make available to the Borrowing Agent a corresponding amount. A certificate of Agent submitted to any Lender with respect to any amount owing under this subsection shall be conclusive, absent manifest error. If such Lender's Pro Rata Share of such borrowing is not in fact made available to Agent by such Lender on the Settlement Date, Agent shall be entitled to recover from the Borrowers, on demand, such Lender's Pro Rata Share of such borrowing, together with interest thereon (for the account of Agent) at the rate per annum applicable to such borrowing, without prejudice to any rights which Agent may have against such Lender under Section 10.19 hereof. Nothing contained herein shall be deemed to obligate Agent to make available to the Borrowers the full amount of a requested advance when Agent has any notice (written or otherwise) that any of the Lenders will not advance its Pro Rata Share thereof.

(c) On each Settlement Date, Agent and the Lenders shall each remit to the other, in immediately available funds, all amounts necessary so as to ensure that, as of the Settlement Date, the Lenders shall have advanced their respective Pro Rata Share of all outstanding Revolving Loans. Each Lender's obligation to make the settlements pursuant to this Section 1.12(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (v) any set-off, counterclaim, recoupment, defense or other right which any such Lender or Borrower may have against Agent, the other the Borrowers, any other Lender or any other person, (w) the occurrence or continuance of a Default or Event of Default, (x) any adverse change in the condition (financial or otherwise) of the Borrowers, or any of them, (y) any breach of this Agreement or any other Loan Document by the

Borrowers, or any of them, or any other Lender or (z) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

2. INTEREST AND FEES; LOAN ACCOUNT.

2.1 Interest. All Loans and other monetary Obligations shall bear interest at the interest rate set forth in Section 3 of Schedule A, and accrued interest shall be payable (a) on the first day of each month in arrears, (b) upon a prepayment of such Loan in accordance with Section 1.8, and (c) on the Maturity Date; ***provided***, that after the occurrence and during the continuation of an Event of Default and notice by the Agent to the Borrowers at the option of the Agent or at the direction of the Required Lenders, all Loans and other monetary Obligations shall bear interest at a rate per annum equal to two (2) percentage points in excess of the rate otherwise applicable thereto (the "***Default Rate***"), and all such interest shall be payable on demand. Changes in the interest rate shall be effective as of the date of any change in the Base Rate or, LIBOR Rate or Term SOFR, as applicable.

2.2 Fees. Borrowers shall jointly and severally pay Agent, for its own benefit or the benefit of Lenders as indicated in the Fee Letter, the fees set forth on in the Fee Letter on the dates set forth therein, which fees are in addition to all fees and other sums payable by Borrowers or any other Person to Agent and Lenders under this Agreement or under any other Loan Document, and, in each case are not refundable once paid.

2.3 Computation of Interest and Fees. All interest and fees shall be calculated daily on the outstanding monetary Obligations based on the actual number of days elapsed in a year of 360 days.

2.4 Loan Account; Monthly Accountings. Agent shall maintain a loan account for Borrowers reflecting all outstanding Loans and the Letters of Credit Balance, along with interest accrued thereon and such other items reflected therein (the "***Loan Account***"), and shall provide Borrowing Agent with a monthly accounting reflecting the activity in the Loan Account, viewable by Borrowing Agent on Passport 6.0. Each accounting shall be deemed correct, accurate and binding on Borrowers and an account stated (except for reverses and reapplications of payments made and corrections of errors discovered by Agent), unless Borrowing Agent notifies Agent in writing to the contrary within thirty (30) days after such accounting is rendered, describing the nature of any alleged errors or omissions. However, Agent's failure to maintain the Loan Account or to provide any such accounting shall not affect the legality or binding nature of any of the Obligations. Interest, fees and other monetary Obligations due and owing under this Agreement (including fees and other amounts paid by Agent to issuers of Letters of Credit) may, in Agent's discretion, be charged to the Loan Account, and will thereafter be deemed to be Revolving Loans and will bear interest at the same rate as other Revolving Loans.

2.5 Further Obligations; Maximum Lawful Rate. With respect to all monetary Obligations for which the interest rate is not otherwise specified herein (whether such Obligations arise hereunder or under any other Loan Document, or otherwise), such Obligations shall bear interest at the rate(s) in effect from time to time with respect to the applicable Loan and shall be payable upon demand by Agent. In no event shall the interest charged with respect to any Loan or any other Obligation exceed the maximum amount permitted under applicable law. Notwithstanding anything to the contrary herein or elsewhere, if at any time the rate of interest payable or other amounts hereunder or under any other Loan Document (the "***Stated Rate***") would exceed the highest rate of interest or other amount permitted under any applicable law to be charged (the "***Maximum Lawful Rate***"), then for so long as the Maximum Lawful Rate would be so exceeded, the rate of interest and other amounts payable shall be equal to the Maximum Lawful Rate; provided, that if at any time thereafter the Stated Rate is less than

the Maximum Lawful Rate, Borrowers shall, to the extent permitted by applicable law, continue to pay interest and such other amounts at the Maximum Lawful Rate until such time as the total interest and other such amounts received is equal to the total interest and other such amounts which would have been received had the Stated Rate been (but for the operation of this provision) the interest rate payable or such other amounts payable. Thereafter, the interest rate and such other amounts payable shall be the Stated Rate unless and until the Stated Rate again would exceed the Maximum Lawful Rate, in which event this provision shall again apply. In no event shall the total interest or other such amounts received by Agent, for the benefit of Lenders, exceed the amount which it could lawfully have received had the interest and other such amounts been calculated for the full term hereof at the Maximum Lawful Rate. If, notwithstanding the prior sentence, Agent, for the benefit of Lenders, has received interest or other such amounts hereunder in excess of the Maximum Lawful Rate, such excess amount shall be applied to the reduction of the principal balance of the Loans or to other Obligations (other than interest) payable hereunder, and if no such principal or other Obligations are then outstanding, such excess or part thereof remaining shall be paid to Borrowers. In computing interest payable with reference to the Maximum Lawful Rate applicable to any Lender, such interest shall be calculated at a daily rate equal to the Maximum Lawful Rate divided by the number of days in the year in which such calculation is made.

2.6 CertainSpecial Provisions Regarding the LIBOR RateTerm SOFR.

(a) If Agent or any Lender in good faith determines (which determination shall be binding and conclusive on the Borrowers absent manifest error) that adequate and reasonable means do not exist for ascertaining the LIBOR Rate, then Agent shall promptly notify the Borrowing Agent thereof and, so long as such circumstances shall continue, the Loans shall, unless then repaid in full, automatically bear interest at a per annum rate determined by reference to the Base Rate plus the margin with respect thereto set forth in Section 3 of Schedule A.

(a) Term SOFR may be adjusted by Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs (other than Taxes which shall be governed by Section 9), in each case, due to changes in applicable law occurring subsequent to the commencement of the then applicable Interest Period, or pursuant to any Change in Law or change in the reserve requirements imposed by the Board of Governors, which additional or increased costs would increase the cost of funding or maintaining loans bearing interest at Term SOFR. In any such event, the affected Lender shall give Borrowers and Agent notice of such a determination and adjustment and Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, Borrowers may, by notice to such affected Lender (A) require such Lender to furnish to Borrowers a statement setting forth in reasonable detail the basis for adjusting Term SOFR and the method for determining the amount of such adjustment, or (B) repay Loans bearing interest by reference to Term SOFR, in each case, of such Lender with respect to which such adjustment is made.

(b) If any change in, or the adoption of any new, law or regulation, or any change in the interpretation of any applicable law or regulation by any governmental or other regulatory body charged with the administration thereof, would make it (or in the good faith judgment of the Agent or any Lender cause a substantial question as to whether it is) unlawful for Agent and Lenders to make, maintain or fund loans based on the LIBOR Rate, then Agent shall promptly notify BorrowersSubject to the provisions set forth in Section 2.6(c) below, in the event that any change in market conditions or any Change in Law shall at any time after the date hereof, in the reasonable opinion of any Lender, make it unlawful or impractical for such Lender to fund or maintain Loans bearing interest by reference to Term SOFR or to continue such funding or maintaining, or to determine or charge interest rates at the Term SOFR Reference Rate, Term SOFR or SOFR, such Lender shall give notice of such changed circumstances to Agent and Borrowers and Agent promptly shall transmit the notice to each other Lender and, so long as such circumstances shall continue, the Loans shall automatically bear interest at a per

annum rate determined by reference to the Base Rate plus the margin with respect thereto set forth in Section 3 of Schedule A.

(c) **Benchmark Replacement Setting**.

(i) **Benchmark Replacement**. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, Agent and Borrowing Agent may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after Agent has delivered such proposed amendment to all affected Lenders and Borrowing Agent so long as Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.6(c) will occur prior to the applicable Benchmark Transition Start Date.

(ii) **Benchmark Replacement Conforming Changes**. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(iii) **Notices; Standards for Decisions and Determinations**. Agent will promptly notify Borrowing Agent and the Lenders of (1) the implementation of any Benchmark Replacement and (2) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. Agent will notify Borrowing Agent of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.6(c)(iv) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.6(c), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.6(c).

(iv) **Unavailability of Tenor of Benchmark**. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (1) if the then-current Benchmark is a term rate (including Term SOFR) and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (2) if a tenor that was removed pursuant to clause (1) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) **Benchmark Unavailability Period**. Upon Borrowing Agent's receipt of notice of the commencement of a Benchmark Unavailability Period, (1) Borrowing Agent may revoke any pending request for a borrowing of Loans bearing interest by reference to Term SOFR to be made during any Benchmark Unavailability Period and, failing that, Borrowing Agent will be deemed to have converted any such request into a request for a borrowing of Loans bearing interest by reference to the Base Rate and (2) any outstanding affected Loans bearing interest by reference to Term SOFR will be deemed to have been converted to Loans bearing interest by reference to the Base Rate at the end of the applicable Interest Period. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

(d) **No Requirement of Matched Funding**. Anything to the contrary contained herein notwithstanding, neither Agent, nor any Lender, nor any of their Participants, is required actually to match fund any Obligation as to which interest accrues at Term SOFR or the Term SOFR Reference Rate.

(e) **Certain Defined Terms**. As used in this Agreement, each of the following capitalized terms has the meaning given to such term below:

(i) "***Available Tenor***" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (A) if such Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an interest period pursuant to this Agreement or (B) otherwise, any payment period for interest calculated with reference to such Benchmark that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to the provisions of this Agreement.

(ii) "***Benchmark***" means, initially, Term SOFR; provided, however, that if a Benchmark Transition Event has occurred with respect to Term SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has become effective pursuant to the provisions of this Agreement.

(iii) "***Benchmark Administrator***" means, initially, the Term SOFR Administrator, or any successor administrator of the then-current Benchmark or any insolvency or resolution official with authority over such administrator.

(iv) "***Benchmark Replacement***" means the sum of: (A) the alternate reference rate that has been selected by Agent as the replacement for the then-current Benchmark and (B) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by Agent, in each case, giving due consideration to (x) any selection or recommendation by the Relevant Governmental Body at such time for a replacement reference rate, the mechanism for determining such a rate, the methodology or conventions applicable to such alternate reference rate, or the spread adjustment, or method for calculating or determining such spread adjustment, for such rate, or (y) any evolving or then-prevailing market convention for determining an alternate reference rate as a replacement to the then-current Benchmark, the methodology or conventions applicable to such rate, or the spread adjustment, or method for calculating or determining such spread adjustment, for such rate for U.S. dollar-denominated syndicated or bilateral credit facilities; provided, however, that if the Benchmark Replacement as determined as provided above would be less than 0.50%, then the Benchmark Replacement shall be deemed to be

0.50% for the purposes of this Agreement and the related loan documents, subject to any other applicable floor rate provision.

(v) "***Benchmark Replacement Date***" means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (C) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

(vi) "***Benchmark Transition Event***" means the occurrence of one or more of the following events with respect to any then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, if the then-current Benchmark has any Available Tenors, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement

or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

(vii) "***Benchmark Transition Start Date***" means with respect to any Benchmark, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

(viii) "***Benchmark Unavailability Period***" means, with respect to any then-current Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date with respect to such Benchmark pursuant to that definition has occurred if, at such time, no Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.6(c) and (y) ending at the time that a Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.6(c).

(ix) "***Relevant Governmental Body***" means the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York or any successor thereto.

3. SECURITY INTEREST GRANT / POSSESSORY COLLATERAL / FURTHER ASSURANCES.

3.1 Grant of Security Interest. To secure the full payment and performance of all of the Obligations and subject to the Intercreditor Agreement, each Loan Party hereby assigns to Agent for the benefit of Lenders and grants to Agent for the benefit of Lenders a continuing security interest in all property of such Loan Party, whether tangible or intangible, real or personal, now or hereafter owned, existing, acquired or arising and wherever now or hereafter located, and whether or not eligible for lending purposes, including: (a) all Accounts (whether or not Eligible Consumer Accounts) and all Goods whose sale, lease or other disposition by such Loan Party has given rise to Accounts and have been returned to, or repossessed or stopped in transit by, such Loan Party; (b) all Chattel Paper (including Electronic Chattel Paper), Instruments, Documents, and General Intangibles (including all patents, patent applications, trademarks, trademark applications, trade names, trade secrets, goodwill, copyrights, copyright applications, registrations, licenses, software, franchises, customer lists, tax refund claims, claims against carriers and shippers, guarantee claims, contracts rights, payment intangibles, security interests, security deposits and rights to indemnification); (c) all Inventory (whether or not Eligible Inventory, Eligible In-Transit Inventory or Eligible Slow Moving Inventory); (d) all Goods (other than Inventory), including Equipment, Farm Products, Health-Care-Insurance Receivables, vehicles, and Fixtures; (e) all Investment Property, including, without limitation, all rights, privileges, authority, and powers of such Loan Party as an owner or as a holder of Pledged Equity, including, without limitation, all economic rights, all control rights, authority and powers, and all status rights of such Loan Party as a member, equity holder or shareholder, as applicable, of each Issuer; (f) all Deposit Accounts, bank accounts, deposits and cash; (g) all Letter-of-Credit Rights; (h) all Commercial Tort Claims listed in Section 40 of the Information Certificates and all other commercial tort claims (whether now existing or hereafter arising); (i) all Supporting Obligations; (j) any other property of such Loan Party now or hereafter in the possession, custody or control of a Lender or any agent or any parent, Affiliate or Subsidiary of a Lender or any Participant with a Lender in the Loans, for any purpose (whether for safekeeping, deposit, collection, custody, pledge, transmission or otherwise), and (k) all additions and

accessions to, substitutions for, and replacements, products and Proceeds of the foregoing property, including proceeds of all insurance policies insuring the foregoing property, and all of such Loan Party's books and records relating to any of the foregoing and to such Loan Party's business. Notwithstanding the foregoing, no Loan Party shall pledge, and the Collateral shall not include, (i) Equipment or other property owned by any Loan Party on the date hereof or hereafter acquired that is subject to a Lien securing capitalized leases and purchase money Indebtedness permitted to be incurred pursuant to clause (a) of the definition of Permitted Liens to the extent and for so long as the documentation providing for such capitalized leases and purchase money Indebtedness prohibits the creation of a Lien on such assets other than to the extent that any such term or prohibition would be rendered ineffective after giving effect to Section 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) or any other applicable law (including the Bankruptcy Code), (ii) any United States intent-to-use trademark applications to the extent that the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable Federal law or would result in the loss by such Loan Party of any material rights therein, (iii) assets and property (including any contracts, instruments, chattel paper or any permit or license issued by a Governmental Authority) to the extent such assets and property are subject to a term or provision or a rule of law, statute or regulation or any applicable requirement of any Governmental Authority that restricts, prohibits, or requires a consent (that has not been obtained) of a Person (other than such Loan Party) to, the creation, attachment or perfection of the security interest granted herein, or that would cause or result in the termination thereof or a default thereunder enabling such other Person to enforce any remedy with respect thereto, and any such restriction, prohibition and/or requirement of consent is effective and enforceable under applicable law and is not rendered ineffective by applicable law (including, without limitation, pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC) or such prohibition has not been waived or the appropriate Person or Governmental Authority has otherwise consented to the creation of such security interest, (iv) Restricted Accounts and (v) Excluded Equity; *provided*, that with respect to any such limitation described in the foregoing clauses (i) and (iii), (1) immediately upon the ineffectiveness, lapse or termination of any such restriction, the Collateral shall include, and such Loan Party shall be deemed to have granted a Lien on such property under the applicable Loan Documents as if such restriction had never been in effect; and (2) notwithstanding any such restriction, the Collateral shall, to the extent such restriction does not by its terms apply thereto and such rights and proceeds do not otherwise constitute Excluded Collateral, include all rights incident or appurtenant to any such property, and the right to receive all proceeds derived from, or in connection with the sale, assignment or transfer of, such property (collectively, "***Excluded Collateral***").

3.2 Possessory Collateral. Subject to the Intercreditor Agreement, promptly, but in any event no later than ten (10) Business Days after any Loan Party's receipt of any portion of the Collateral evidenced by an agreement, Instrument or Document, including any Tangible Chattel Paper, in each case with a value in excess of $500,000, and any Investment Property consisting of certificated securities, such Loan Party shall deliver the original thereof to Agent together with an appropriate endorsement or other specific evidence of assignment thereof to Agent (in form and substance acceptable to Agent). If an endorsement or assignment of any such items shall not be made for any reason, Agent is hereby irrevocably authorized, as attorney and agent-in-fact (coupled with an interest) for each Loan Party, to endorse or assign the same on such Loan Party's behalf.

3.3 Further Assurances.

(a) Each Loan Party will, at the time that any Loan Party forms any direct or indirect Subsidiary, acquires any direct or indirect Subsidiary after the Closing Date, within thirty (30) days of such event (or such later date as permitted by Agent in its sole discretion) (i) cause such new Subsidiary to become a Loan Party and to grant Agent, for the benefit of Lenders, a first priority Lien (subject to Permitted Liens and the Intercreditor Agreement) in and to the assets (other than Excluded Collateral) of

such newly formed or acquired Subsidiary, (ii) provide, or cause the applicable Loan Party to provide, to Agent, for the benefit of Lenders, a pledge agreement and appropriate certificates and powers or financing statements, pledging all of the direct or beneficial ownership interest in such new Subsidiary in form and substance reasonably satisfactory to Agent (which pledge, if reasonably requested by Agent, shall be governed by the laws of the jurisdiction of such Subsidiary), and (iii) provide to Agent all other documentation as it may reasonably require, including one or more opinions of counsel reasonably satisfactory to Agent if Agent determines such opinion of counsel is required, which, in its opinion, is appropriate with respect to the execution and delivery of the applicable documentation referred to above (including policies of title insurance, flood certification documentation or other documentation with respect to all Real Property owned in fee and subject to a mortgage). Any document, agreement, or instrument executed or issued pursuant to this Section 3.3 shall constitute a Loan Document.

(b) Each Loan Party will, and will cause each of the other Loan Parties to, at any time upon the reasonable request of Agent, execute or deliver to Agent any and all financing statements, fixture filings, security agreements, pledges, assignments, mortgages, deeds of trust, opinions of counsel, and all other documents (the "***Additional Documents***") that Agent may reasonably request in form and substance reasonably satisfactory to Agent, to create, perfect, and continue to be perfected or to better perfect Agent's Liens in all of the assets of each of the Loan Parties (whether now owned or hereafter owned, arising or acquired, tangible or intangible, real or personal), to create and perfect Liens in favor of Agent, for the benefit of Lenders, in any Real Property acquired by any other Loan Party with a fair market value in excess of $500,000, and in order to fully consummate all of the transactions contemplated hereby and under the other Loan Documents. To the maximum extent permitted by applicable law, if any Borrower or any other Loan Party refuses or fails to execute or deliver any reasonably requested Additional Documents within a reasonable period of time following the request to do so, each Borrower and each other Loan Party hereby authorizes Agent to execute any such Additional Documents in the applicable Loan Party's name and authorizes Agent to file such executed Additional Documents in any appropriate filing office.

(c) Each Loan Party shall, at its own cost and expense, promptly and duly take, execute, acknowledge and deliver (and/or use commercially reasonable efforts to cause such other applicable Person to take, execute, acknowledge and deliver) all such further acts, documents, agreements and instruments as Agent shall deem reasonably necessary in order to (i) carry out the intent and purposes of the Loan Documents and the transactions contemplated thereby, (ii) establish, create, preserve, protect and perfect a first priority Lien (subject only to Permitted Liens) in favor of Agent, for the benefit of Lenders, in all Collateral (wherever located) from time to time owned by the Loan Parties, (iii) cause each Loan Party to guarantee all of the Obligations, all pursuant to documentation that is in form and substance satisfactory to Agent in its Permitted Discretion and (iv) facilitate the exercise and enforcement of rights and remedies with respect to the Collateral. Without limiting the foregoing and subject to the terms hereof and the Intercreditor Agreement, each Loan Party shall, at its own cost and expense, promptly and duly take, execute, acknowledge and deliver (and/or use commercially reasonable efforts to cause such other applicable Person to take, execute, acknowledge and deliver) to Agent all promissory notes, security agreements, agreements with landlords, mortgagees and processors and other bailees, subordination and intercreditor agreements and other agreements, instruments and documents, in each case in form and substance reasonably acceptable to Agent, as Agent may request from time to time to perfect, protect, and maintain Agent's security interests in the Collateral, including the required priority thereof, and to fully carry out the transactions contemplated by the Loan Documents.

3.4 UCC Financing Statements. Each Loan Party authorizes Agent to file, transmit, or communicate, as applicable, from time to time, Uniform Commercial Code financing statements, along with amendments and modifications thereto, in all filing offices selected by Agent, listing such Loan Party as the debtor and Agent as the secured party, and describing the collateral covered thereby in such

manner as Agent may elect, including using descriptions such as "all personal property of debtor" or "all assets of debtor" or words of similar effect. Each Loan Party also hereby ratifies its authorization for Agent to have filed in any filing office any financing statements filed prior to the date hereof.

4. CERTAIN PROVISIONS REGARDING ACCOUNTS, INVENTORY, COLLECTIONS, APPLICATIONS OF PAYMENTS, INSPECTION RIGHTS, AND APPRAISALS.

4.1 Cash Management. Each Loan Party hereby represents and warrants that all Deposit Accounts and all other depository and other accounts maintained by each Loan Party as of the Closing Date are described in Section 39 of the Information Certificates, which description includes for each such account the name of the Loan Party maintaining such account, the name of the financial institution at which such account is maintained, the account number, and the purpose of such account. After the Closing Date, no Loan Party shall open any new Deposit Accounts or any other depository or other accounts without the prior written consent of Agent and without updating Section 39 of the Information Certificates to reflect such Deposit Accounts or other accounts, as applicable. No Deposit Accounts or other accounts of any Loan Party shall at any time constitute a Restricted Account other than accounts expressly indicated on Section 39 of the Information Certificates as being a Restricted Account (and each Loan Party hereby represents and warrants that each such account shall at all times meet the requirements set forth in the definition of Restricted Account to qualify as a Restricted Account). Each Loan Party will, at its expense and subject to the Intercreditor Agreement, establish (and revise from time to time as Agent may require in its Permitted Discretion) procedures acceptable to Agent, in Agent's Permitted Discretion, for the collection of checks, wire transfers and all other proceeds of all of such Loan Party's Accounts and other Collateral ("***Collections***"), which shall include depositing all Collections received by such Loan Party into one or more bank accounts maintained in the name of such Loan Party (but as to which upon the occurrence and during the continuance of a Springing DACA Event, Agent will have exclusive access) (each, a "***Springing DACA Account***"), under an arrangement acceptable to Agent in its Permitted Discretion with a depository bank satisfactory to Agent in its Permitted Discretion, pursuant to which all funds deposited into each Springing DACA Account are, upon the occurrence and during the continuance of a Springing DACA Event, to be transferred to Agent in such manner, and with such frequency, as Agent shall specify. Each Borrower agrees to execute, and to cause its depository banks and other financial institutions at which Deposit Accounts are maintained to execute, such springing deposit account control agreements and other documentation as Agent shall require in its Permitted Discretion from time to time in connection with the foregoing, all in form and substance satisfactory to Agent in its Permitted Discretion, and in any event such arrangements and documents must be in place on the Closing Date with respect to accounts in existence on the Closing Date, in each case excluding Restricted Accounts. Prior to the Closing Date, Borrower shall deliver to Agent a complete and executed Authorized Accounts form regarding Borrower's operating accounts into which the proceeds of Loans are to be paid in the form of Exhibit D annexed hereto.

4.2 Application of Payments. All amounts paid to or received by Agent or any Lender in respect of the monetary Obligations, from whatever source (whether from any Borrower or any other Loan Party pursuant to such other Loan Party's guaranty of the Obligations, any realization upon any Collateral, or otherwise) shall, unless otherwise directed by Borrowing Agent with respect to any particular payment (unless an Event of Default shall then be continuing, in which event Agent may disregard Borrowing Agent's direction), be applied by Agent to the Obligations in such order as Agent may elect, and absent such election shall be applied as follows:

(a) FIRST, to reimburse Agent for all out-of-pocket costs and expenses, and all indemnified losses, incurred by Agent which are reimbursable to Agent in accordance with this Agreement and/or any of the other Loan Documents,

(b) SECOND, to any accrued but unpaid interest on any Protective Advances,

(c) THIRD, to the outstanding principal of any Protective Advances,

(d) FOURTH, ratably to reimburse each Lender for all fees and out-of-pocket costs and expenses, and all indemnified losses, incurred by each Lender which are reimbursable to such Lender in accordance with this Agreement and/or any of the other Loan Documents,

(e) FIFTH, to any unpaid accrued interest on the Obligations,

(f) SIXTH, to the outstanding principal of the Obligations, and, to the extent required by this Agreement, to cash collateralize the Letter of Credit Balance, and

(g) SEVENTH, to the payment of any other outstanding Obligations which have become due and payable and otherwise not paid pursuant to clauses "FIRST" through "SIXTH" above; and after payment in full in cash of all of the outstanding monetary Obligations, any further amounts paid to or received by Agent or any Lender in respect of the Obligations (so long as no monetary Obligations are outstanding) shall be paid over to Borrowers or such other Person(s) as may be legally entitled thereto. For purposes of determining the Borrowing Base, such amounts will be credited to the Loan Account and the Collateral balances to which they relate upon Agent's receipt of an advice from Agent's Bank (set forth in Section 5 of Schedule A) that such items have been credited to Agent's account at Agent's Bank (or upon Agent's deposit thereof at Agent's Bank in the case of payments received by Agent in kind), in each case subject to final payment and collection. However, for purposes of computing interest on the Obligations, and solely after the occurrence of a Springing DACA Event, such items shall be deemed applied by Agent two Business Days after Agent's receipt of advice of deposit thereof at Agent's Bank.

4.3 (e) Notification of Assignment of Receivables. At any time upon the occurrence and during the continuance of any Event of Default or if the Agent deems it necessary in its Permitted Discretion to preserve or protect the Collateral or Agent's rights therein, Agent shall have the right to send notice of the assignment of, and Agent's security interest in and Lien on, the Accounts to any and all Customers or any third party holding or otherwise concerned with any of the Collateral and, thereafter, Agent shall have the sole right to collect the Accounts, take possession of the Collateral, or both. Agent's actual collection expenses, including, but not limited to, stationery and postage, telephone and telegraph, secretarial and clerical expenses and the salaries of any collection personnel used for collection, may be charged as a Revolving Loan and added to the Obligations.

4.4 Power of Attorney. Agent shall have the right to receive, endorse, assign and/or deliver in the name of Agent or any Borrower any and all checks, drafts and other instruments for the payment of money relating to the Accounts, and each Borrower hereby waives notice of presentment, protest and non-payment of any instrument so endorsed. Each Borrower hereby constitutes Agent or Agent's designee as such Borrower's attorney with power (i) at any time: (A) to endorse such Borrower's name upon any notes, acceptances, checks, drafts, money orders or other evidences of payment or Collateral; (B) to sign such Borrower's name on any invoice or bill of lading relating to any of the Accounts, drafts against Customers, and assignments of Accounts; (C) to send verifications of Accounts to any Customer; (D) to sign such Borrower's name on any other documents or instruments deemed necessary or appropriate by Agent to preserve, protect, or perfect Agent's interest in the Collateral and to file same; and (E) to receive and open all mail addressed to any Borrower in connection with the administration of any lockbox or similar services; and (ii) at any time following the occurrence and during the continuance of a Default or Event of Default: (A) to demand payment of the Accounts; (B) to enforce payment of the Accounts by legal proceedings or otherwise; (C) to exercise all of such Borrower's rights and remedies

with respect to the collection of the Accounts and any other Collateral; (D) to settle, adjust, compromise, extend or renew the Accounts; (E) to settle, adjust or compromise any legal proceedings brought to collect Accounts; (F) to prepare, file and sign such Borrower's name on a proof of claim in bankruptcy or similar document against any Customer; (G) to prepare, file and sign such Borrower's name on any notice of Lien, assignment or satisfaction of Lien or similar document in connection with the Accounts; and (H) to do all other acts and things necessary to carry out this Agreement. All acts of said attorney or designee are hereby ratified and approved, and said attorney or designee shall not be liable for any acts of omission or commission nor for any error of judgment or mistake of fact or of law, unless done maliciously or with gross (not mere) negligence or willful misconduct (as determined by a court of competent jurisdiction in a final non-appealable judgment); this power being coupled with an interest is irrevocable while any of the Obligations remain unpaid. Agent shall have the right at any time following the occurrence and during the continuance of an Event of Default or Default, to change the address for delivery of mail addressed to any Borrower to such address as Agent may designate and to receive, open and dispose of all mail addressed to any Borrower.

Any and all sums paid, and any and all costs, expenses, liabilities, obligations and reasonable attorneys' fees incurred, by Agent with respect to the foregoing shall be added to and become part of the Obligations, shall be payable on demand, and shall bear interest at a rate equal to the highest interest rate applicable to any of the Obligations at such time. Each Loan Party agrees that Agent's rights under the foregoing power of attorney and/or any of Agent's other rights under this Agreement or the other Loan Documents shall not be construed to indicate that Agent is in control of the business, management or properties of such Loan Party.

4.5 Reserved.

4.6 Reserved.

4.7 Access to Collateral, Books and Records. At reasonable times during business hours (and prior to the occurrence and continuance of an Event of Default, following reasonable advance notice), Agent and/or its representatives or agents shall have the right to inspect the Collateral, and the right to examine and copy each Loan Party's books and records. Each Loan Party agrees to give Agent access to any or all of such Loan Party's, and each of its Subsidiaries', premises to enable Agent to conduct such inspections and examinations. Such inspections and examinations shall be at Borrowers' expense and the charge therefor shall be $1,500 per person per day (or such higher amount as shall represent Agent's then current standard charge), plus out-of-pocket expenses; ***provided, that*** Borrowers shall only be required to reimburse Agent for up to two (2) such inspection and examination in any 12 consecutive month period plus any additional inspections and examinations that are conducted during the existence of an Event of Default. Upon the occurrence and during the continuance of an Event of Default, Agent may, at Borrowers' expense, use each Loan Party's personnel, computer and other equipment, programs, printed output and computer readable media, supplies and premises for the collection, sale or other disposition of Collateral to the extent Agent, in its sole discretion, deems appropriate. Each Loan Party hereby irrevocably authorizes all accountants and other financial professional third parties to disclose and deliver to Agent, at Borrowers' expense, all financial information, books and records, work papers, management reports and other information in their possession regarding the Loan Parties.

4.8 Appraisals. Each Loan Party will permit Agent and each of its representatives or agents to conduct appraisals and valuations of the Collateral at such times and intervals as Agent may designate. Such appraisals and valuations shall be at Borrowers' expense; ***provided***, ***that***, Borrowers shall only be required to reimburse Agent for up to two (2) appraisals and valuations in any 12 consecutive month

period plus any additional appraisals and valuations that are conducted during the existence of an Event of Default.

5. REPRESENTATIONS, WARRANTIES AND COVENANTS.

To induce Agent and Lenders to enter into this Agreement, each Loan Party represents, warrants and covenants as follows (it being understood and agreed that (a) each such representation and warranty (i) will be made as of the date hereof and be deemed remade as of each date on which any Loan is made or Letter of Credit is issued (except to the extent any such representation or warranty expressly relates only to any earlier and/or specified date, in which case such representation or warranty will be made as of such earlier and/or specified date), and (ii) shall not be affected by any knowledge of, or any investigation by, Agent or any Lender, and (b) each such covenant shall continuously apply with respect to all times commencing on the date hereof and continuing until the Termination Date):

5.1 Existence and Authority. Each Loan Party is duly organized, incorporated, validly existing and in good standing under the laws of its jurisdiction of organization (which jurisdiction is identified in Section 3 of the Information Certificates) and is qualified to do business in each jurisdiction in which the operation of its business requires that it be qualified (which each such jurisdiction is identified in Section 15 of the Information Certificates), except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect. Each Loan Party will, and will cause each of its Subsidiaries to, at all times preserve and keep in full force and effect such Person's valid existence and good standing in its jurisdiction of organization and, except as could not reasonably be expected to result in a Material Adverse Effect, good standing with respect to all other jurisdictions in which it is qualified to do business and any rights, franchises, permits, licenses, accreditations, authorizations, or other approvals material to their businesses. Each Loan Party has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby. The execution, delivery and performance by each Loan Party of this Agreement and all of the other Loan Documents to which such Loan Party is a party (a) have been duly and validly authorized, (b) do not (i) violate such Loan Party's Organic Documents, (ii) any material agreement or instrument to which such Loan Party is a party, (iii) violate any law or regulation, or any court order which is binding upon any Loan Party or its property, except as would not have a Material Adverse Effect, (c) will not require the consent of any Governmental Authority, any party to a Material Contract or any other Person, all of which will have been duly obtained, made or compiled prior to the Closing Date and which are in full force and effect, and (d) will not conflict with, nor result in any breach in any of the provisions of or constitute a default under or result in the creation of any Lien except Permitted Liens upon any asset of such Loan Party under the provisions of any agreement, instrument, Organic Document or other instrument to which such Loan Party is a party or by which it or its property is a party or by which it may be bound. This Agreement and each of the other Loan Documents have been duly executed and delivered by, and are enforceable against each of the Loan Parties who have signed them, in accordance with their respective terms, except as such enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium, public policy or similar laws of general applicability affecting the enforcement of creditors' rights and (b) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Section 18 of the Information Certificates sets forth the ownership of each Borrower (other than iMedia) as of the Closing Date. Section 20 of the Information Certificates sets forth the ownership of each of Borrowers' Subsidiaries as of the Closing Date.

5.2 Names; Trade Names and Styles. The name of each Loan Party set forth in Section 1 of each Information Certificates is its correct and complete legal name as of the date hereof, and no Loan

Party has used any other name at any time in the past five years, or at any time will use any other name, in any tax filing made in any jurisdiction. Listed in Section 8 of the Information Certificates are all prior names used by each Loan Party at any time in the past five years. Listed in Section 7 of the Information Certificates are all of the present and prior trade names used by any Loan Party at any time in the past five years. Borrowers shall give Agent at least thirty (30) days' prior written notice (and will deliver an updated Section 7 or Section 8 of the Information Certificates, as applicable, to reflect the same) before it or any other Loan Party changes its legal name or does business under any other name.

5.3 Title to Collateral; Third Party Locations; Permitted Liens. Each Loan Party has, and at all times will continue to have, good and marketable title to all of the Collateral. The Collateral now is, and at all times will remain, free and clear of any and all Liens, except for Permitted Liens. Agent now has, and will at all times continue to have, a first-priority or second-priority, as applicable, pursuant to the term of the Intercreditor Agreement, perfected and enforceable security interest in all of the Collateral for the benefit of Lenders, and each Loan Party will at all times defend Agent and each Lender and the Collateral against all claims of others, subject only to Permitted Liens. None of the Collateral which is Equipment is, or will at any time, be affixed to any real property that is not subject to a Mortgage in favor of Agent in such a manner, or with such intent, as to become a fixture. Except for leases or subleases as to which Borrowers shall use commercially reasonable efforts to deliver to Agent a landlord's waiver if required by the section labeled "Post Closing Deliverables and Covenants" on ***Exhibit B*** or by Agent after the Closing Date for any locations with Collateral in excess of $500,000 in form and substance reasonably satisfactory to Agent, no Loan Party is or will be a lessee or sublessee under any real property lease or sublease. Except for warehousesz as to which Borrowers shall use commercially reasonable efforts to deliver to Agent a warehouseman's waiver if required by the section labeled "Post Closing Deliverables and Covenants" on ***Exhibit B*** or by Agent after the Closing Date for any locations with Collateral in excess of $500,000 in form and substance reasonably satisfactory to Agent, no Loan Party is or will at any time be a bailor of any Goods at any warehouse or otherwise. Prior to causing or permitting any Collateral to at any time be located upon premises other than the locations listed in Sections 27-32 of the Information Certificates, in which any third party (including any landlord, warehouseman, or otherwise) has an interest, Borrowers shall give Agent no less than 30 days written notice thereof and the applicable Loan Party shall use commercially reasonable efforts to cause each such third party to execute and deliver to Agent, in form and substance reasonably acceptable to Agent, such waivers, collateral access agreements, and subordinations as Agent shall specify, so as to, among other things, ensure that Agent's rights in the Collateral are, and will at all times continue to be, superior to the rights of any such third party and that Agent has access to such Collateral. Each applicable Loan Party will keep at all times in full force and effect, and will comply in all material respects at all times with all the terms of, any lease of real property where any of the Collateral now or in the future may be located.

5.4 Accounts, Chattel Paper and Inventory.

(a) As of each date reported by Borrowers, all Accounts which Borrowers have then reported to Agent as then being Eligible Consumer Accounts comply in all respects with the criteria for eligibility set forth in the definition of Eligible Consumer Accounts. All such Accounts and Chattel Paper are genuine and in all respects what they purport to be, arise out of a completed, bona fide and unconditional and non-contingent sale and delivery of goods or rendition of services by Borrowers in the ordinary course of its business and in accordance with the terms and conditions of all purchase orders, contracts or other documents relating thereto, to the best of the applicable Borrower's knowledge, each Account Debtor thereunder had the capacity to contract at the time any contract or other document giving rise to such Accounts and Chattel Paper were executed, and the transactions giving rise to such Accounts

and Chattel Paper comply with all applicable laws and governmental rules and regulations in all material respects.

(b) As of each date reported by Borrowers, all Inventory which Borrowers have then reported to Agent as then being Eligible Inventory, Eligible In-Transit Inventory or Eligible Slow Moving Inventory complies in all respects with the criteria for eligibility set forth in the definition of Eligible Inventory, Eligible In-Transit Inventory or Eligible Slow Moving Inventory, as applicable.

5.5 Electronic Chattel Paper. To the extent that any Loan Party obtains or maintains any Electronic Chattel Paper with an individual or aggregate value in excess of $500,000, promptly after written request of Agent, such Loan Party shall take all steps reasonably necessary to create, store and assign the record or records comprising the Electronic Chattel Paper in such a manner as to grant Agent control of such Electronic Chattel Paper in accordance with the UCC and all "transferable records" as that term is defined in Section 16 of the Uniform Electronic Transaction Act and Section 201 of the Federal Electronic Signatures in Global and National Commerce Act, as in effect in any relevant jurisdiction of such Loan Party.

5.6 Capitalization; Investment Property.

(a) No Loan Party, directly or indirectly, owns, or shall at any time own, any Equity Interests of any other Person except as set forth in Sections 20 and 41 of the Information Certificates as of the Closing Date, which such Sections of the Information Certificates list all Investment Property owned by each Loan Party as of the Closing Date, except in each case for Permitted Investments.

(b) None of the Pledged Equity has been issued or otherwise transferred in violation of the Securities Act, or other applicable laws of any jurisdiction to which such issuance or transfer may be subject.

(c) The Pledged Equity pledged by each Loan Party hereunder constitutes all of the issued and outstanding Equity Interests of each Issuer owned by such Loan Party.

(d) All of the Pledged Equity has been duly and validly issued and is fully paid and non-assessable, and the holders thereof are not entitled to any preemptive, first refusal, or other similar rights. Except as set forth in the Organic Documents for TCO, there are no outstanding options, warrants or similar agreements, documents, or instruments with respect to any of the Pledged Equity.

(e) Reserved.

(f) Each Loan Party will take any and all actions required or requested by Agent, from time to time, to (i) cause Agent to obtain exclusive control of any Investment Property in a manner reasonably acceptable to Agent and (ii) obtain from any Issuers and such other Persons as Agent shall specify, for the benefit of Agent, written confirmation of Agent's exclusive control over such Investment Property and take such other actions as Agent may request to perfect Agent's security interest in any Investment Property. For purposes of this Section 5.6, Agent shall have exclusive control of Investment Property if (A) pursuant to Section 3.2, such Investment Property consists of certificated securities and the applicable Loan Party delivers such certificated securities to Agent (with all appropriate endorsements); (B) such Investment Property consists of uncertificated securities and the Issuer thereof agrees, pursuant to documentation in form and substance reasonably satisfactory to Agent, that it will comply with instructions originated by Agent without further consent by the applicable Loan Party; and (C) such Investment Property consists of security entitlements and either (x) Agent becomes the entitlement holder thereof or (y) the appropriate securities intermediary agrees, pursuant to

documentation in form and substance reasonably satisfactory to Agent, that it will comply with entitlement orders originated by Agent without further consent by the applicable Loan Party. Each Loan Party that is a limited liability company or a partnership hereby represents and warrants that it has not, and at no time will, elect pursuant to the provisions of Section 8-103 of the UCC to provide that its Equity Interests are securities governed by Article 8 of the UCC.

(g) No Loan Party owns, or has any present intention of acquiring, any "margin security" or any "margin stock" within the meaning of Regulations T, U or X of the Board of Governors of the Federal Reserve System (herein called "margin security" and "margin stock"). None of the proceeds of the Loans will be used, directly or indirectly, for the purpose of purchasing or carrying, or for the purpose of reducing or retiring any Indebtedness which was originally incurred to purchase or carry, any margin security or margin stock or for any other purpose which might constitute the transactions contemplated hereby a "purpose credit" within the meaning of said Regulations T, U or X, or cause this Agreement to violate any other regulation of the Board of Governors of the Federal Reserve System or the Exchange Act, or any rules or regulations promulgated under such statutes.

(h) No Loan Party shall vote to enable, or take any other action to cause or to permit, any Issuer to issue any Equity Interests of any nature, or to issue any other securities or interests convertible into or granting the right to purchase or exchange for any Equity Interests of any nature of any Issuer.

(i) No Loan Party shall take, or fail to take, any action that would in any manner impair the value or the enforceability of Agent's Lien on any of the Investment Property, or any of Agent's rights or remedies under this Agreement or any other Loan Document with respect to any of the Investment Property.

(j) In the case of any Loan Party which is an Issuer, such Issuer agrees that the terms of Section 7.3(g)(iii) of this Agreement shall apply to such Loan Party with respect to all actions that may be required of it pursuant to such Section 7.3(g)(iii) regarding the Investment Property issued by it.

5.7 Commercial Tort Claims. No Loan Party has any Commercial Tort Claims with a claimed value in excess of $500,000 pending other than those listed in Section 40 of the Information Certificates, and each Loan Party shall promptly (but in any case no later than ten (10) Business Days thereafter) notify Agent in writing upon incurring or otherwise obtaining a Commercial Tort Claim after the date hereof against any third party. Such notice shall constitute such Loan Party's authorization to amend such Section 40 of the applicable Information Certificate to add such Commercial Tort Claim and shall automatically be deemed to amend such Section 40 to include such Commercial Tort Claim.

5.8 Jurisdiction of Organization; Location of Collateral. Sections 14 and 27-32 of the Information Certificates set forth as of the Closing Date (a) each place of business of each Loan Party (including its chief executive office), (b) all locations where all Inventory, Equipment, and other Collateral owned by each Loan Party is kept, and (c) whether each such Collateral location and/or place of business (including each Loan Party's chief executive office) is owned by a Loan Party or leased (and if leased, specifies the complete name and notice address of each lessor). No Collateral is located outside the United States or in the possession of any lessor, bailee, warehouseman or consignee, except as expressly indicated in Sections 27-32 of the Information Certificates as of the Closing Date. Each Loan Party will give Agent at least thirty (30) days' prior written notice before changing its jurisdiction of organization, opening any additional place of business or changing its chief executive office or the location of its books and records and such notice shall constitute such Loan Party's authorization to amend the applicable section of the Information Certificate of such Loan Party and such section shall

automatically be deemed to be so amended upon the date specified therefor in the notice provided by such Loan Party to Agent hereunder.

5.9 Financial Statements and Reports; Solvency.

(a) All financial statements delivered to Agent or any Lender by or on behalf of any Loan Party have been, and at all times will be, prepared in conformity with GAAP in all material respects and completely and fairly reflect the financial condition of each Loan Party and its Subsidiaries covered thereby, at the times and for the periods therein stated.

(b) As of the date hereof (after giving effect to the Loans and Letters of Credit to be made or issued on the date hereof (including the execution and delivery of the Term Debt Documents, the Seller Debt Documents and the making of extensions of credit thereunder on the date hereof), and the consummation of the transactions contemplated hereby, and as of each other day that any Loan or Letter of Credit is made or issued (after giving effect thereof), (i) the fair saleable value of all of the assets and properties of the Borrowers, on a consolidated basis, exceeds the aggregate liabilities and Indebtedness of each such Loan Party (including contingent liabilities), (ii) each Loan Party is able to pay its debts as they come due, (iii) the Loan Parties, on a consolidated basis, have sufficient capital to carry on their business as now conducted and as proposed to be conducted, (iv) no Loan Party is contemplating the filing of any petition under any state, federal, or other bankruptcy or insolvency law, and (v) no Loan Party has knowledge of any Person contemplating the filing of any such petition against any Loan Party.

5.10 Tax Returns and Payments; Pension Contributions. Each Loan Party has timely filed all tax returns and reports required by applicable law, has timely paid all applicable Taxes, assessments, deposits and contributions owing by such Loan Party and will timely pay all such items in the future as they became due and payable, except to the extent that such Loan Party (a) in good faith contests its obligation to pay such Taxes by appropriate proceedings promptly and diligently instituted and conducted; (b) posts bonds or takes any other commercially reasonable steps required to keep the contested taxes from becoming a Lien upon any of the Collateral unless such Lien is at all times junior and subordinate in priority to the Liens in favor of the Agent (except only with respect to property taxes that have priority as a matter of applicable state law) and enforcement of such Lien is stayed during the period prior to the final resolution or disposition of such dispute and (c) maintains adequate reserves therefor in conformity with GAAP. As of the Closing Date, no Loan Party is aware of any claims or adjustments proposed for any prior tax years that could result in additional taxes becoming due and payable by any Loan Party. Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other applicable laws. Each Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter or opinion letter from the Internal Revenue Service 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 Internal Revenue Service 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 Internal Revenue Service. To the best knowledge of each Loan Party, nothing has occurred that would prevent or cause the loss of such tax-qualified status. There are no pending or, to the best knowledge of any Loan Party, threatened claims (other than normal claims for benefits in the ordinary course), actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to result in liabilities in excess of $500,000 on any Loan Party. 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 liabilities individually or in the aggregate on any Loan Party in excess of $500,000. No ERISA Event has occurred. Each Loan Party 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, in each case except as could not reasonably be expected to result in

liabilities individually or in the aggregate to any Loan Party or any ERISA Affiliate in excess of $500,000. 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 60% or higher. No Loan Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA except as could not reasonably be expected to result in liabilities individually or in the aggregate to the Loan Parties in excess of $500,000.

5.11 Compliance with Laws; Intellectual Property; Licenses.

(a) Each Loan Party has complied, and will continue at all times to comply with all provisions of all applicable laws and regulations, including those relating to the ownership, use or operations of real or personal property, the conduct and licensing of each Loan Party's business, the payment and withholding of Taxes, ERISA and other employee matters, and safety and environmental matters, unless any non-compliance would not reasonably be expected to have a Material Adverse Effect.

(b) No Loan Party has received written notice of default or violation with respect to any judgment, order, writ, injunction, decree, demand or assessment issued by any court or any federal, state, local, municipal or other Governmental Authority relating to any aspect of any Loan Party's business, affairs, properties or assets as of the Closing Date. No Loan Party has received written notice of or been charged with, or is, to the knowledge of any Loan Party, under investigation with respect to, any violation in any material respect of any provision of any applicable law as of the Closing Date. No Loan Party or any real property owned, leased or used in the operation of the business of any Loan Party is subject to any federal, state or local investigation to determine whether any remedial action is needed to address any hazardous materials or an environmental release (as that term is defined under environmental and health and safety laws) at, on, or under any real property currently leased, owned or used by a Loan Party nor is a Loan Party liable for any environmental release identified or under investigation at, on or under any real property previously owned, leased or used by a Loan Party. No Loan Party has any contingent liability with respect to any environmental release, environmental pollution or hazardous material on any real property now or previously owned, leased or operated by it as of the Closing Date.

(c) No Loan Party owns any Intellectual Property as of the Closing Date, except as set forth in Sections 34-36 of the Information Certificates. Except as set forth in Section 37of the Information Certificates as of the Closing Date, none of the Intellectual Property owned by any Loan Party is the subject of any licensing or franchise agreement pursuant to which such Loan Party is the licensor or franchisor. Each Loan Party shall promptly (but in any event within thirty (30) days thereafter) notify Agent in writing of any additional Intellectual Property acquired or arising after the Closing Date and shall submit to Agent a supplement to Sections 34-37 of the Information Certificates to reflect such additional rights (***provided***, that such Loan Party's failure to do so shall not impair Agent's security interest therein). Each Loan Party shall execute a separate security agreement granting Agent a security interest in such Intellectual Property (whether owned on the Closing Date or thereafter), in form and substance acceptable to Agent and suitable for registering such security interest in such Intellectual Property with the United States Patent and Trademark Office and/or United States Copyright Office, as applicable (***provided***, that such Loan Party's failure to do so shall not impair Agent's security interest therein). Each Loan Party owns or has, and will at all times continue to own or have, the valid right to use all material patents, trademarks, copyrights, software, computer programs, equipment designs, network designs, equipment configurations, technology and other Intellectual Property used, marketed and sold in such Loan Party's business, and each Loan Party is in compliance, and will continue at all times to comply, in all material respects with all licenses, user agreements and other such agreements regarding the use of Intellectual Property. No Loan Party has any knowledge that, or has received any

notice claiming that, any of such Intellectual Property infringes upon or violates the rights of any other Person.

(d) Each Loan Party has and will continue at all times to have, all federal, state, local and other licenses and permits required to be maintained in connection with such Loan Party's business operations, and its ownership, use and operation of any real property, and all such licenses and permits, necessary for the operation of the business are valid and will remain and in full force and effect, except where the failure to have any such licenses or permits could not reasonably be expected to result in a Material Adverse Effect. Each Loan Party has, and will continue at all times to have, complied with the requirements of such licenses and permits except where any failure to comply could not reasonably be expected to result in a Material Adverse Effect, and as of the Closing Date, has received no written notice of any pending or threatened proceedings for the suspension, termination, revocation or limitation thereof. As of the Closing Date, no Loan Party is aware of any facts or conditions that could reasonably be expected to cause or permit any of such licenses or permits to be voided, revoked or withdrawn.

(e) In addition to and without limiting the generality of clause (a) above, (i) comply in all material respects with applicable provisions of ERISA and the IRC with respect to all Plans, and
(ii) without the prior written consent of Agent, not take any action or fail to take action the result of which could result in a Loan Party or ERISA Affiliate incurring a material liability to the PBGC or to a Multiemployer Plan (other than to pay contributions or premiums payable in the ordinary course). With respect to each Pension Plan (other than a Multiemployer Plan) except as could not reasonably be expected to result in material liability to the Loan Parties, the Loan Parties and the ERISA Affiliates shall
(y) satisfy in full and in a timely manner, all of the contribution and funding requirements of the IRC and of ERISA, and (z) pay, or cause to be paid, to the PBGC in a timely manner, all premiums required pursuant to ERISA.

5.12 Litigation. Section 50 of the Information Certificates discloses all claims, proceedings, litigation or investigations pending or (to the best of each Loan Party's knowledge) threatened against any Loan Party as of the Closing Date. There is no claim, suit, litigation, proceeding or investigation pending or (to the best of each Loan Party's knowledge) threatened by or against or affecting any Loan Party in any court or before any Governmental Authority (or any basis therefor known to any Loan Party) which would reasonably be expected to result, either separately or in the aggregate in any Material Adverse Effect, or in any material impairment in the ability of any Loan Party to carry on its business in substantially the same manner as it is now being conducted.

5.13 Use of Proceeds. All proceeds of all Loans and Letters of Credit shall be used by Borrowers solely (a) with respect to Loans made on the Closing Date, to refinance certain indebtedness owing to PNC Bank, National Association, (b) to pay the fees, costs, and expenses incurred in connection with this Agreement, the other Loan Documents, and the transactions contemplated hereby and thereby, (c) for Borrowers' working capital purposes and (d) for such other purposes as specifically permitted pursuant to the terms of this Agreement. All proceeds of all Loans and Letters of Credit will be used solely for lawful business purposes.

5.14 Insurance.

(a) Each Loan Party will at all times carry property, liability and other insurance, with insurers acceptable to Agent, in such form and amounts, and with such deductibles and other provisions, as are customary for similarly situated companies and reasonably acceptable to Agent, and upon Agent's request, Borrowers will provide Agent with evidence satisfactory to Agent that such insurance is, at all times, in full force and effect. A true and complete listing of such insurance as of the Closing Date, including issuers, coverages and deductibles, is set forth in Section 49 of the Information

Certificates. Each property insurance policy shall name Agent as lender loss payee and shall contain a lender's loss payable clause or endorsement in form acceptable to Agent, each liability insurance policy shall name Agent as an additional insured, and each business interruption insurance policy shall be collaterally assigned to Agent, all in form and substance reasonably satisfactory to Agent. All policies of insurance shall provide that they may not be cancelled or changed without at least thirty (30) days' prior written notice to Agent (or ten (10) days in the case of cancellation for non-payment of premium), and shall otherwise be in form and substance reasonably satisfactory to Agent. Borrowers shall advise Agent promptly of any policy cancellation, non-renewal, reduction, or material amendment that is adverse to Agent and Lenders with respect to any insurance policies maintained by any Loan Party or any receipt by any Loan Party of any notice from any insurance carrier regarding any intended or threatened cancellation, non-renewal, reduction or material amendment that is adverse to Agent and Lenders of any of such policies, and Borrowers shall promptly deliver to Agent copies of all notices and related documentation received by any Loan Party in connection with the same.

(b) Borrowers shall deliver to Agent no later than fifteen (15) days prior to the expiration of any then current insurance policies, insurance certificates evidencing renewal of all such insurance policies required by this Section 5.14. Borrowers shall deliver to Agent, upon Agent's request, certificates evidencing such insurance coverage in such form as Agent shall reasonably request. If any Loan Party fails to provide Agent with a certificate of insurance or other evidence of the continuing insurance coverage required by this Agreement within the time period set forth in the first sentence of this Section 5.14(b), Agent may purchase insurance required by this Agreement at Borrowers' expense. This insurance may, but need not, protect any Loan Party's interests.

5.15 Financial, Collateral and Other Reporting / Notices. Each Loan Party has kept and will at all times keep adequate records and books of account with respect to its business activities and the Collateral in which proper entries are made in accordance with GAAP reflecting all its financial transactions. Each Loan Party will cause to be prepared and furnished to Agent, in each case in a form and in such detail as is acceptable to Agent the following items (the items to be provided under this Section 5.15 shall be delivered to Agent by posting on Passport 6.0 (or, if requested by Agent, by another form of Approved Electronic Communication or in writing)) and documents required to be delivered pursuant to Section 5.15(a) or (b) or Section 5.1(f) (to the extent any such documents are included in materials otherwise filed with the Securities and Exchange Commission) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which iMedia posts such documents, or provides a link thereto on iMedia's website.

(a) **Annual Financial Statements.** Not later than one hundred twenty (120) days after the close of each Fiscal Year, unqualified, audited financial statements of each Loan Party as of the end of such Fiscal Year, including balance sheet, income statement, and statement of cash flow for such Fiscal Year, on a consolidated basis, audited and certified (without qualification) by a firm of independent certified public accountants of recognized standing selected by Borrowers but acceptable to Agent, together with a copy of any management letter issued in connection therewith. Concurrently with the delivery of such financial statements, Borrowing Agent shall deliver to Agent a Compliance Certificate, indicating whether (i) Borrowers are in compliance with each of the covenants specified in Section 5.26, and setting forth a detailed calculation of such covenants, and (ii) any Default or Event of Default is then in existence;

(b) **Quarterly Financial Statements.** Not later than forty five (45) days after the end of each fiscal quarter hereafter, unaudited interim financial statements of each Loan Party as of the end of such fiscal quarter and of the portion of such Fiscal Year then elapsed, including balance sheet, income statement, statement of cash flow, and results of their respective operations during such fiscal quarter and the then-elapsed portion of the Fiscal Year, together with comparative figures for the same

periods in the immediately preceding Fiscal Year and the corresponding figures from the budget for the Fiscal Year covered by such financial statements, in each case on a consolidated basis, certified by an Authorized Officer of Borrowing Agent as prepared in accordance with GAAP and fairly presenting the consolidated financial position and results of operations (including management discussion and analysis of such results) of each Loan Party for such month and period subject only to changes from ordinary course year-end audit adjustments and except that such statements need not contain footnotes. Concurrently with the delivery of such financial statements, Borrowing Agent shall deliver to Agent a Compliance Certificate, indicating whether (i) Borrowers are in compliance with each of the covenants specified in Section 5.26, and setting forth a detailed calculation of such covenants, and (ii) any Default or Event of Default is then in existence;

(c) **Interim Financial Statements.** Not later than thirty (30) days after the end of each month hereafter, including the last month of each Fiscal Year, unaudited interim financial statements of each Loan Party as of the end of such month and of the portion of such Fiscal Year then elapsed, including balance sheet, income statement, statement of cash flow, and results of their respective operations during such month and the then-elapsed portion of the Fiscal Year, together with comparative figures for the same periods in the immediately preceding Fiscal Year and the corresponding figures from the budget for the Fiscal Year covered by such financial statements, on a consolidated basis, certified by an Authorized Officer of Borrowing Agent as prepared in accordance with GAAP and fairly presenting the consolidated financial position and results of operations (including management discussion and analysis of such results) of each Loan Party for such month and period subject only to changes from ordinary course year-end audit adjustments and except that such statements need not contain footnotes. Concurrently with the delivery of such financial statements, Borrowing Agent shall deliver to Agent a Compliance Certificate, indicating whether (i) Borrowers are in compliance with each of the covenants specified in Section 5.26, and setting forth a detailed calculation of such covenants, and (ii) any Default or Event of Default is then in existence;

(d) **Collateral Reports / Insurance Certificates / Information Certificates / Other Items**. The items described on Schedule D hereto by the respective dates set forth therein.

(e) **Projections, Etc.** Not later than thirty (30) days after the end of each Fiscal Year commencing with the fiscal year ending January 31, 2022, monthly business projections for the following Fiscal Year for the Loan Parties on a consolidated basis, which projections shall include profit and loss projections, balance sheet projections, income statement projections and cash flow projections, together with appropriate supporting details and a statement of underlying assumptions used in preparing such projections;

(f) **Shareholder Reports, Etc.** To the extent the following are not publicly available on https://investors.imediabrands.com or on the website of the Securities and Exchange Commission, promptly after the sending or filing thereof, as the case may be, copies of any proxy statements, financial statements or reports which each Loan Party has made available to its shareholders and copies of any regular, periodic and special reports or registration statements which any Loan Party files with the Securities and Exchange Commission or any Governmental Authority which may be substituted therefor, or any national securities exchange;

(g) **ERISA Reports.** Copies of any annual report to be filed pursuant to the requirements of ERISA in connection with each Pension plan subject thereto promptly upon request by Agent and in addition, each Loan Party shall notify Agent promptly and within ten (10) Business Days upon having knowledge of any ERISA Event; and

(h) Reserved.

(i) **Notification of Certain Changes.** Borrowers will promptly (and in no case later than the earlier of (i) five (5) Business Days after the occurrence of any of the following and (ii) such other date that such information is required to be delivered pursuant to this Agreement or any other Loan Document) notify Agent in writing of: (i) the occurrence of any Default or Event of Default, (ii) the occurrence of any event that has had, or could reasonably be expected to have, a Material Adverse Effect, (iii) [reserved], (iv) any investigation, action, suit, proceeding or claim (or any development with respect to any existing investigation, action, suit, proceeding or claim) relating to any Loan Party, the Collateral or which could reasonably be expected to have a Material Adverse Effect, (v) any violation or asserted violation of any applicable law (including OSHA or any environmental laws), if an adverse resolution could reasonably be expected to have a Material Adverse Effect or otherwise result in material liability to any Loan Party, (vi) any other event or the existence of any circumstance that has resulted in, or could reasonably be expected to result in a Material Adverse Effect, (vii) any actual or alleged breaches of any Material Contract or termination or threat to terminate any Material Contract or any material amendment to or modification of a Material Contract, or the execution of any new Material Contract by any Loan Party, (viii) any change in any Loan Party's certified accountant, (iv) promptly upon learning thereof, report to Agent all matters materially affecting the value, enforceability or collectability of any portion of the Collateral, including any Borrower's reclamation or repossession of, or the return to any Borrower of, a material amount of goods or claims or disputes asserted by any Customer or other obligor. In the event of each such notice under this Section 5.15(i), Borrowers shall give notice to Agent of the action or actions that each Loan Party has taken, is taking, or proposes to take with respect to the event or events giving rise to such notice obligation.

(j) **Other Information.** Promptly upon request, such other data and information (financial and otherwise) as Agent, from time to time, may reasonably request, bearing upon or related to the Collateral or each Loan Party's business or financial condition or results of operations.

5.16 Litigation Cooperation. Should any third-party suit, regulatory action, or any other judicial, administrative, or similar proceeding be instituted by or against Agent or any Lender with respect to any Collateral or in any manner relating to any Loan Party, this Agreement, any other Loan Document or the transactions contemplated hereby, each Loan Party shall, without expense to Agent or any Lender, make available each Loan Party, such Loan Party's officers, and employees, and any Loan Party's books and records, without charge, to the extent that Agent may deem them reasonably necessary in order to prosecute or defend any such suit or proceeding.

5.17 Maintenance of Collateral, Etc. Each Loan Party will maintain all of the Collateral in good working condition, ordinary wear and tear excepted, and no Loan Party will use the Collateral for any unlawful purpose.

5.18 Material Contracts. Except as expressly disclosed in Section 53 of the Information Certificates (as updated from time to time in accordance with Section 5.29), no Loan Party is (a) a party to any contract which has had or could reasonably be expected to have a Material Adverse Effect or (b) in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any contract to which it is a party or by which any of its assets or properties is bound, which default, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect (a "***Material Contract***").

5.19 No Default. No Default or Event of Default has occurred and is continuing.

5.20 No Material Adverse Change. Since January 30, 2021, there has been no material adverse change in the financial condition, business, operations, or properties of any Loan Party.

5.21 Full Disclosure. No written report, notice, certificate, information or other statement delivered or made (including, in electronic form) by or on behalf of any Loan Party or any of their respective Affiliates to Agent or any Lender in connection with this Agreement or any other Loan Document contains or will at any time contain any untrue statement of a material fact, or omits or will at any time omit to state any material fact necessary to make any statements contained herein or therein not misleading. Except for matters of a general economic or political nature which do not affect any Loan Party uniquely, there is no fact presently known to any Loan Party which has not been disclosed to Agent or any Lender, which has had or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

5.22 Sensitive Payments. No Loan Party (a) has made or will at any time make any contributions, payments or gifts to or for the private use of any governmental official, employee or agent where either the payment or the purpose of such contribution, payment or gift is illegal under the applicable laws of the United States or the jurisdiction in which made or any other applicable jurisdiction, (b) has established or maintained or will at any time establish or maintain any unrecorded fund or asset for any purpose or made any false or artificial entries on its books, (c) has made or will at any time make any payments to any Person with the intention that any part of such payment was to be used for any purpose other than that described in the documents supporting the payment, or (d) has engaged in or will at any time engage in any "trading with the enemy" or other transactions violating any rules or regulations of the Office of Foreign Assets Control or any similar applicable laws, rules or regulations.

5.23 Reserved.

5.24 Term Debt Permitted Indebtedness; Seller Note Permitted Indebtedness.

(a) Borrowers have furnished Agent a true, correct and complete copy of each of the Term Debt Documents **.** No statement or representation made in any of the Term Debt by Borrowers or any other Loan Party or, to Borrowers' knowledge, any other Person, contains any untrue statement of a material fact or omits to state any 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 are made, not misleading in any material respect as of the time that such statement or representation is made. Each of the representations and warranties of the Loan Parties set forth in each of the Term Debt Documents are true and correct in all respects.

(b) Borrowers have furnished Agent a true, correct and complete copy of each of the Seller Debt Documents **.**

(c) Each Borrower and each other Loan Party acknowledges that Agent is entering into this Agreement and extending credit and making the Loans in reliance upon the Intercreditor Agreement and this Section 5.24.

5.25 Negative Covenants. No Loan Party shall, and no Loan Party shall permit any of its Subsidiaries to, without Agent's prior written consent:

(a) merge or consolidate with another Person, except that (i) a Loan Party may merge or consolidate with another Loan Party so long as (A) in connection with any merger or consolidation to which a Borrower is a party, such Borrower must be the surviving entity of merger or

consolidation and (B) in connection with any merger or consolidation between a Loan Party and any of its Subsidiaries which is not a Loan Party, such Loan Party must be the surviving entity of merger or consolidation and (ii) a Loan Party may merge or consolidate with another Person for any mergers or consolidations in connection with any Permitted Acquisitions so long as the survivor of any such merger or consolidation is or becomes a Loan Party in connection with such transaction in accordance with the terms of this Agreement;

(b) acquire any assets except (i) for Permitted Acquisitions and (ii) in the ordinary course of business and as otherwise expressly permitted by this Agreement;

(c) enter into any transaction outside the ordinary course of business that is not expressly permitted by this Agreement, it being understood that any issuance of Equity Interests by iMedia are within the ordinary course of business;

(d) sell, transfer, return, or dispose of any Collateral or other assets, other than:

(i) the sale by Loan Parties of Inventory in the ordinary course of its business,

(ii) (A) any sale, lease, transfer or other disposition by a Loan Party to any other Loan Party and(other than iMedia&123tv Holding); (B) any sale, lease, transfer or other disposition by a Loan Party to iMedia&123tv Holding GmbH so long as (1) such sales, leases, transfers or other dispositions are arms'-length, payable in cash and on terms consistent with other vendors, are made in the ordinary course of business and do not involve Collateral with an aggregate value in excess of $250,000 at any time or (2) such sales, leases, transfers or other dispositions that do not satisfy the criteria in Section 5.25(d)(ii)(B)(1) above and do not involve Collateral with an aggregate value in excess of $100,000, and (C) the transfer by iMedia of its owned real property in Eden Prairie, Minnesota to EP Properties, LLC on the Closing Date as required by the Term Debt Documents,

(iii) any sale, disposition, or transfer of obsolete, worn-out or unneeded Equipment,

(iv) any sale, lease, transfer or other disposition constituting a Permitted Investment,

(v) the dissolution or liquidation of any Subsidiary so long as the assets of any such Subsidiary are contributed to a Loan Party,

(vi) dispositions and transfers of cash and cash equivalents in the ordinary course of business and not in violation of this Agreement; and

(vii) dispositions of Term Loan Priority Collateral (as defined in the Intercreditor Agreement) permitted under the terms of the Term Debt Documents;

(e) make any loans to, or investments in, any Affiliate or other Person in the form of money or other assets; ***provided***, that (i) Borrowers may make loans and investments in (A) their respective domesticDomestic Subsidiaries that are Loan Parties, and (B) to other Loan Parties (other than iMedia&123tv Holding) that do not constitute Domestic Subsidiaries in an aggregate amount not to exceed $100,000, (ii) a Loan Party (other than a Borrower) may make loans to, and investments in, another Loan Party , (other than iMedia&123tv Holding), (iii) a Loan Party may acquire Permitted Investments, (iv) a Loan Party may receive minority investments in Persons given to such Loan Party by

such Person in exchange for services provided by the applicable Loan Party, (v) a Loan Party may make loans not involving the transfer of cash or cash equivalents to officers, directors, employees or consultants of such Loan Party for the purchase of equity interests, or rights to acquire equity interests, issued for compensatory purposes, (vi) the Loan Parties may make investments to consummate Permitted Acquisitions, (vii) a Loan Party make investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss, and (viii) investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business; and (ix) Subsidiaries that are not Loan Parties may make loans to any Loan Party in an aggregate amount not to exceed $3,000,000 at any time so long as (A) Agent is in receipt of a fully executed intercompany subordination agreement in form and substance satisfactory to Agent among all Loan Parties and such Subsidiaries and (B) the proceeds of such loans are unencumbered by any Lien and are deposited in one or more domestic Deposit Accounts of Loan Parties, which constitute Springing DACA Accounts. Notwithstanding anything to the contrary and for the avoidance of doubt, no Loan Party may directly or indirectly, make a loan or investment in any direct or indirect Subsidiary of iMedia that is not a Loan Party;

(f) incur any Indebtedness other than the Obligations and Permitted Indebtedness;

(g) create, incur, assume or suffer to exist any Lien or other encumbrance of any nature whatsoever, other than in favor of Agent to secure the Obligations, on any of the Collateral whether now or hereafter owned, other than Permitted Liens;

(h) guaranty or otherwise become liable with respect to the obligations of any Person other than (i) the Obligations, (ii) guarantees in respect of Permitted Indebtedness and (iii) guarantees of lease obligations given in the ordinary course of business not to exceed $3,500,000 in the aggregate at any time;

(i) pay or declare any dividends or other distributions on any Loan Party's Equity Interests or redeem, retire, purchase or otherwise acquire, directly or indirectly, any Equity Interests of any Loan Party; provided, however, that notwithstanding the foregoing, (i) the Loan Parties and their Subsidiaries may declare and make dividend payments or other distributions payable solely in the common stock or other Equity Interests of such Person and any Loan Party or any of its Subsidiaries (other than iMedia) may make any distributions on any Equity Interests held by any Loan Party that serves as its parent, (ii) iMedia make payments for withholding taxes to the extent required in connection with the exercise of employee stock options in exchange for common stock of any such Person pursuant to any net exercise provision described in the documents governing such stock options in an amount not to exceed $750,000 in any year, (iii) so long as Borrowers' have Excess Availability of not less than $25,000,000 both prior to and after giving effect to such payment, iMedia may repurchase its stock in an amount not to exceed $2,000,000 in the aggregate in any fiscal year or $4,500,000 during the period commencing on the Closing Date and ending on the Scheduled Maturity Date;

(j) reserved;

(k) dissolve or elect to dissolve (except for any dissolution or election to dissolve by any Loan Party (other than iMedia and iMedia&123tv Holding)) so long as Agent receives ten (10) Business Days' prior written notice thereof and the assets of any such entity that has dissolved or elected to dissolve have been contributed to another Borrower);

(l) engage, directly or indirectly, in a business other than the business which is being conducted on the date hereof or any business reasonably related, incidental or ancillary thereto, wind up its business operations or cease substantially all, or any material portion, of its normal business operations, or suffer any material disruption, interruption or discontinuance of a material portion of its normal business operations;

(m) pay any principal or other amount on any Indebtedness that is contractually subordinated to Agent and Lenders in violation of the applicable subordination or intercreditor agreement or optionally prepay, redeem, defease, purchase, or otherwise acquire any Indebtedness of any Loan Party or its Subsidiaries, other than the Obligations in accordance with this Agreement or the Term Debt Permitted Indebtedness and the Seller Debt Permitted Indebtedness;

(n) enter into any transaction with an Affiliate other than (i) transactions between or among Loan Parties expressly permitted by this Agreement (ii) transactions on arms-length terms in the ordinary course of business in a manner consistent with past practices and (iii) loans and/or extensions of credit to employees (or consultants functioning in similar capacities as an employee) extended in the ordinary course of business in an amount not to exceed $500,000 outstanding at any time, (iv) distributions permitted under Section 5.25(i) and (v) the payment of reasonable customary compensation and benefits and reimbursements of out-of-pocket costs to, and the provision of indemnity on behalf of, directors, officers, consultants, employees and members of the boards of directors of the Loan Parties and their subsidiaries;

(o) change its jurisdiction of organization or enter into any transaction which has the effect of changing its jurisdiction of organization except as provided for in Section 5.8;

(p) agree, consent, permit or otherwise undertake to amend or otherwise modify any of the terms or provisions of any Loan Party's Organic Documents, except for such amendments or other modifications required by applicable law or that are not adverse to Agent or Lenders;

(q) enter into or assume any agreement prohibiting the creation or assumption of any Lien on the Collateral to secure the Obligations upon its properties or assets, whether now owned or hereafter acquired, other than this Agreement and any other agreement relating to Permitted Indebtedness, applicable law and customary restrictions in leases, subleases, licenses and sublicenses or asset sale agreements otherwise permitted by this Agreement so long as such restrictions relate only to the assets subject thereto;

(r) agree, consent, permit or otherwise undertake to amend or otherwise modify any of the terms or provisions of any Term Debt Loan Document in violation of the Intercreditor Agreement or

(s) agree, consent, permit or otherwise undertake to amend or otherwise modify any of the terms or provisions of any Seller Debt Loan Document or

(t) (i) divide or enter into any plan of division pursuant to section 18-217 of the Delaware Limited Liability Company Act or any similar stature or provision under any applicable law or otherwise, (ii) dispose of any property through a plan of division under the Delaware Limited Liability Company Act or any comparable transaction under any similar law or (iii) make any payment or distribution pursuant to a plan of division under the Delaware Limited Liability Company Act or any comparable transaction under any similar law.

5.26 Financial Covenants. Each Loan Party shall comply with the Financial Covenants described on Schedule E.

5.27 Employee and Labor Matters. As of the Closing Date, there is (a) no unfair labor practice complaint pending or, to the knowledge of any Borrower, threatened against any Loan Party or its Subsidiaries before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan Party or its Subsidiaries which arises out of or under any collective bargaining agreement and that could reasonably be expected to result in a material liability, (b) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened in writing against any Loan Party or its Subsidiaries that could reasonably be expected to result in a material liability, or (c) to the knowledge of any Borrower, after due inquiry, no union representation question existing with respect to the employees of any Loan Party or its Subsidiaries and no union organizing activity taking place with respect to any of the employees of any Loan Party or its Subsidiaries. As of the Closing Date, none of any Loan Party or its Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar state law, which remains unpaid or unsatisfied. The hours worked and payments made to employees of each Loan Party and its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements. All material payments due from any Loan Party or its Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of Borrowers, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

5.28 Post Closing Matters. Loan Parties shall execute and deliver the documents and take such actions (or cause such actions to be taken by other Persons) as are set forth in the section labeled "Post Closing Deliverables and Covenants" on ***Exhibit B***, in each case, on or prior to the deadlines specified on ***Exhibit B*** (or such later dates as Agent may agree in its sole discretion).

5.29 Updates to the Information Certificate. Deliver to Agent promptly as shall be required to maintain the related representations and warranties as true and correct, updates to the following Sections of the Information Certificates: 27-32 (Locations), 1 (Legal Name), 3 (Type of Entity; State of Organization) 18 (Equityholders), 40 (Commercial Tort Claims), 43 (Letter-of-Credit Rights) and 53 (Material Contacts); provided, that absent the occurrence and continuance of any Event of Default, such updates shall be required solely on a monthly basis in connection with delivery of a Compliance Certificate with respect to the applicable month. Any such updated Schedules delivered by Borrowers to Agent in accordance with this Section 5.29 shall automatically and immediately be deemed to supplement or amend and restate, as applicable, the prior version of such sections of the Information Certificates previously delivered to Agent and attached to and made part of this Agreement.

6. LIMITATION OF LIABILITY AND INDEMNITY.

6.1 Limitation of Liability. In no circumstance will Agent, any Lender, any Participant, any of their respective successors and assigns, any of their respective Affiliates, or any of their respective directors, officers, employees, attorneys or agents (the "***Released Parties***") be liable for lost profits or other special, punitive, or consequential damages. Notwithstanding any provision in this Agreement to the contrary, this Section 6.1 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Loans.

6.2 Indemnity/Currency Indemnity.

(a) Each Loan Party hereby agrees to indemnify the Released Parties and hold them harmless from and against any and all claims, debts, liabilities, losses, demands, obligations, actions,

causes of action, fines, penalties, costs and expenses (including attorneys' fees and consultants' fees), of every nature, character and description (including, without limitation, natural resources damages, property damage and claims for personal injury), which the Released Parties may sustain or incur based upon or arising out of any of the transactions contemplated by this Agreement or any other Loan Documents or any of the Obligations, including any transactions or occurrences relating to the issuance of any Letter of Credit, any Collateral relating thereto, any drafts thereunder and any errors or omissions relating thereto (including, without limitation, any loss or claim due to any action or inaction taken by the issuer of any Letter of Credit, Agent or any Lender) (and for this purpose any charges to Agent and/or any Lender by any issuer of Letters of Credit shall be conclusive as to their appropriateness and may be charged to the Loan Account), or any other matter, including any breach of any covenant or representation or warranty relating to any environmental and health and safety laws or an environmental release, cause or thing whatsoever occurred, done, omitted or suffered to be done by Agent or any Lender relating to any Loan Party or the Obligations (except any such amounts sustained or incurred solely as the result of the gross negligence or willful misconduct of such Released Parties, as finally determined by a court of competent jurisdiction). Notwithstanding any provision in this Agreement to the contrary, this Section 6.2 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Obligations.

(b) If, for the purposes of obtaining or enforcing judgment in any court in any jurisdiction with respect to this Agreement or any Loan Document, it becomes necessary to convert into the currency of such jurisdiction (the "***Judgment Currency***") any amount due under this Agreement or under any Loan Document in any currency other than the Judgment Currency (the "***Currency Due***") (or for the purposes of Section 1.7(d)), then, to the extent permitted by law, conversion shall be made at the exchange rate reasonably selected by Agent on the Business Day before the day on which judgment is given (or for the purposes of Section 1.7(d), on the Business Day on which the payment was received by the Agent). In the event that there is a change in such exchange rate between the Business Day before the day on which the judgment is given and the date of receipt by the Agent of the amount due, each Loan Party shall to the extent permitted by law, on the date of receipt by Agent, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any as may be necessary to ensure that the amount received by Agent on such date is the amount in the Judgment Currency which (when converted at such exchange rate on the date of receipt by Agent in accordance with normal banking procedures in the relevant jurisdiction) is the amount then due under this Agreement or such Loan Document in the Currency Due. If the amount of the Currency Due (including any Currency Due for purposes of Section 1.7(c)) which the Agent is so able to purchase is less than the amount of the Currency Due (including any Currency Due for purposes of Section 1.7(c)) originally due to it, each Loan Party shall to the extent permitted by law jointly and severally indemnify and save Agent and Lenders harmless from and against loss or damage arising as a result of such deficiency.

7. EVENTS OF DEFAULT AND REMEDIES.

7.1 Events of Default. The occurrence of any of the following events shall constitute an "***Event of Default***":

(a) if any warranty, representation, statement, report or certificate made or delivered to Agent or any Lender by or on behalf of any Loan Party is untrue or misleading in any material respect;

(b) if any Loan Party fails to pay to Agent or any Lender, (i) when due, any principal or interest payment required under this Agreement or any other Loan Document, or (ii) within three (3) Business Days when due, any other monetary Obligation;

(c) (1) if any Loan Party defaults in the due observance or performance of any covenant, condition or agreement contained in Section 3.2, 4.1, 4.6, 4.7, 4.8, 5.2, 5.3, 5.13, 5.14, 5.15, 5.17, 5.24, 5.25, 5.26, 5.28 or 5.29 of this Agreement; or

(2) if any Loan Party defaults in the due observance or performance of any covenant, condition or agreement contained in any provision of this Agreement or any other Loan Document and not addressed in clauses Sections 7.1(a), (b) or (c)(1), and the continuance of such default unremedied for a period of fifteen (15) Business Days; ***provided***, that such fifteen (15) Business Day grace period shall not be available for any default that is not reasonably capable of being cured within such period or for any intentional default;

(d) Any judgment or judgments are rendered against any Loan Party for an aggregate amount in excess of $500,000 or against all Loan Parties for an aggregate amount in excess of $500,000 and (i) enforcement proceedings shall have been commenced by a creditor upon such judgment, (ii) there shall be any period of thirty (30) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, shall not be in effect, or (iii) any such judgment results in the creation of a Lien upon any of the Collateral (other than a Permitted Liens);

(e) any default with respect to any Indebtedness (other than the Obligations) of any Loan Party in a principal amount in excess of $500,000 if (i) such default shall consist of the failure to pay such Indebtedness when due, whether by acceleration or otherwise, or (ii) the effect of such default is to permit the holder, with or without notice or lapse of time or both, to accelerate the maturity of any such Indebtedness or to cause such Indebtedness to become due prior to the stated maturity thereof (without regard to the existence of any subordination or intercreditor agreements);

(f) [reserved];

(g) if any Loan Party shall apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of it or any of its properties, admit in writing its inability to pay its debts as they mature, make a general assignment for the benefit of creditors, be adjudicated a bankrupt or insolvent or be the subject of an order for relief under the Bankruptcy Code or under any bankruptcy or insolvency law of a foreign jurisdiction, or file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law, or take or permit to be taken any action in furtherance of or for the purpose of effecting any of the foregoing;

(h) the commencement of an involuntary case or other proceeding against any Loan Party seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar applicable law or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property and the same is not dismissed within sixty (60) days, or if an order for relief is entered against any Loan Party under any bankruptcy insolvency or other similar applicable law as now or hereafter in effect;

(i) the actual or attempted revocation or termination of, or limitation or denial of liability under, any guaranty of any of the Obligations, or any security document securing any of the Obligations, by any Loan Party;

(j) if any Loan Party makes any payment on account of any Indebtedness or obligation which has been contractually subordinated to the Obligations other than payments which are

not prohibited by the applicable subordination provisions pertaining thereto, or if any Person who has subordinated such Indebtedness or obligations attempts to limit or terminate any applicable subordination provisions pertaining thereto;

(k) if a Change of Control occurs;

(l) if any Lien purported to be created by any Loan Document shall cease to be a valid perfected first priority Lien (subject only to any priority accorded by law to Permitted Liens) on any material portion of the Collateral, except as a result of any action taken by, or inaction or failure on the part of, Agent or failure by Agent to maintain possession of Collateral, or any Loan Party shall assert in writing that any Lien purported to be created by any Loan Document is not a valid perfected first priority lien (subject only to any priority accorded by law to Permitted Liens) on the assets or properties purported to be covered thereby;

(m) if any of the Loan Documents shall cease to be in full force and effect (other than as a result of the discharge thereof in accordance with the terms thereof or by written agreement of all parties thereto);

(n) reserved;

(o) (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted in liability of any Loan Party or any ERISA Affiliate under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of $500,000, (ii) the existence of any Lien under Section 430(k) or Section 6321 of the Code or Section 303(k) or Section 4068 of ERISA on any assets of a Loan Party or any ERISA Affiliate, or (iii) a Loan Party 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 $500,000;

(p) If (i) any Loan Party is enjoined, restrained or in any way prevented by any Governmental Authority from conducting any material part of its business, (ii) any Loan Party suffers the loss, revocation or termination of any material license, permit, lease or agreement necessary to its business, or (iii) there is a cessation of any material part of any Loan Party's business for a material period of time; or

(q) Any Loan Party's operations taken as a whole are materially interrupted at any time for more than 10 consecutive days, unless such Loan Party shall (i) be entitled to receive for such period of interruption, proceeds of business interruption insurance sufficient to assure that its per diem cash needs during such period is at least equal to its average per diem cash needs for the consecutive three month period immediately preceding the initial date of interruption and (ii) receive such proceeds in the amount described in clause (i) preceding not later than thirty (30) days following the initial date of any such interruption; provided, however, that notwithstanding the provisions of clauses (i) and (ii) of this section, an Event of Default shall be deemed to have occurred if such Loan Party shall be receiving the proceeds of business interruption insurance for a period of thirty (30) consecutive days;

(r) (i) an "Event of Default" (as defined in the Term Debt Loan Agreement or the Seller Debt Note) has occurred under the Term Debt Loan Documents, which "Event of Default" shall not have been cured within any applicable grace period or waived at any time by the Term Debt Agent or Seller; (ii) termination or breach of the Intercreditor Agreement by Borrowers, (iii) the attempt by any

Borrower to terminate or challenge in writing the validity of its obligations under the Intercreditor Agreement or (iv) the Intercreditor Agreement ceases to be enforceable.

7.2 Remedies with Respect to Lending Commitments/Acceleration/Etc.. Upon the occurrence and during the continuance of an Event of Default Agent may, in Agent's sole discretion, and Agent shall, at the direction of the Required Lenders (a) terminate all or any portion of the commitments to lend to or extend credit to Borrowers under this Agreement and/or any other Loan Document, without prior notice to any Loan Party, and/or (b) demand payment in full of all or any portion of the Obligations (whether or not payable on demand prior to such Event of Default), together with the Early Payment/Termination Premium in the amount specified in the Fee Letter, and demand that the Letters of Credit be cash collateralized in the manner described in Section 1.7(c) and/or (c) take any and all other and further actions and avail itself of any and all rights and remedies available to Agent under this Agreement, any other Loan Document, under law and/or in equity. Notwithstanding the foregoing sentence, upon the occurrence of any Event of Default described in Section 7.1(g) or Section 7.1(h), without notice, demand or other action by Agent or any Lender all of the Obligations (including without limitation the Early Payment/Termination Premium in the amount specified in the Fee Letter) shall immediately become due and payable whether or not payable on demand prior to such Event of Default.

7.3 Remedies with Respect to Collateral. Without limiting any rights or remedies Agent may have pursuant to this Agreement, the other Loan Documents, under applicable law or otherwise, upon the occurrence and during the continuance of an Event of Default:

(a) **Any and All Remedies.** Agent may take any and all actions and avail itself of any and all rights and remedies available to Agent under this Agreement, any other Loan Document, under law or in equity, and the rights and remedies herein and therein provided shall be cumulative and not exclusive of any rights or remedies provided by applicable law or otherwise.

(b) **Collections; Modifications of Terms.** Agent may but at the direction of Required Lenders shall (i) notify all appropriate parties that the Collateral, or any part thereof, has been assigned to Agent; (ii) demand, sue for, collect and give receipts for and take all necessary or desirable steps to collect any Collateral or Proceeds in its or any Loan Party's name, and apply any such collections against the Obligations as Agent may elect; (iii) take control of any Collateral and any cash and non-cash Proceeds of any Collateral; (iv) enforce, compromise, extend, renew settle or discharge any rights or benefits of each Loan Party with respect to or in and to any Collateral, or deal with the Collateral as Agent may deem advisable; and (v) make any compromises, exchanges, substitutions or surrenders of Collateral Agent deems necessary or proper in its reasonable discretion, including extending the time of payment, permitting payment in installments, or otherwise modifying the terms or rights relating to any of the Collateral, all of which may be effected without notice to, consent of, or any other action of any Loan Party and without otherwise discharging or affecting the Obligations, the Collateral or the security interests granted to Agent under this Agreement or any other Loan Document.

(c) **Insurance.** Agent may file proofs of loss and claim with respect to any of the Collateral with the appropriate insurer, and may endorse in its own and each Loan Party's name any checks or drafts constituting Proceeds of insurance. Any Proceeds of insurance received by Agent may be applied by Agent against payment of all or any portion of the Obligations as Agent may elect in its reasonable discretion.

(d) **Possession and Assembly of Collateral.** Agent may take possession of the Collateral. Upon Agent's request and subject to the Intercreditor Agreement, each Loan Party shall assemble the Collateral and make it available to Agent at a place or places to be designated by Agent.

(e) Set-off; Sharing of Payments.

(i) Agent and each Lender may and without any notice to, consent of or any other action by any Loan Party (such notice, consent or other action being expressly waived), set-off or apply (i) any and all deposits (general or special, time or demand, provisional or final) at any time held by or for the account of Agent, Lender or any Affiliate of Agent or any Lender, and/or (ii) any Indebtedness at any time owing by Agent, any Lender or any Affiliate of Agent or any Lender or any Participant in the Loans to or for the credit or the account of any Loan Party, to the repayment of the Obligations irrespective of whether any demand for payment of the Obligations has been made; *provided*, that if any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to Agent for further application in accordance with the provisions of Section 10.21 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

(ii) If any Lender, directly or through an Affiliate or branch office thereof, obtains any payment of any Obligation of any Loan Party (whether voluntary, involuntary or through the exercise of any right of setoff or the receipt of any Collateral, Proceeds or "proceeds" (as defined under the applicable UCC) of Collateral) other than pursuant to Section 4.2 and such payment exceeds the amount such Lender would have been entitled to receive if all payments had gone to, and been distributed by, Agent in accordance with the provisions of the Loan Documents, such Lender shall purchase for cash from other Lenders such participations in their Obligations as necessary for such Lender to share such excess payment with such Lenders to ensure such payment is applied as though it had been received by Agent and applied in accordance with this Agreement (or, if such application would then be at the discretion of the Borrower, applied to repay the Obligations in accordance herewith); *provided*, however, that (A) if such payment is rescinded or otherwise recovered from such Lender in whole or in part, such purchase shall be rescinded and the purchase price therefor shall be returned to such Lender without interest and (B) such Lender shall, to the fullest extent permitted by applicable requirements of law, be able to exercise all its rights of payment (including the right of setoff) with respect to such participation as fully as if such Lender were the direct creditor of the applicable Loan Party in the amount of such participation.

(f) **Disposition of Collateral**.

(i) *Sale, Lease, etc. of Collateral.* Agent may, without demand, advertising or notice, all of which each Loan Party hereby waives (except as the same may be required by the UCC or other applicable law), at any time or times in one or more public or private sales or other dispositions, for cash, on credit or otherwise, at such prices and upon such terms as determined by Agent (provided such price and terms are commercially reasonable within the meaning of the UCC to the extent such sale or other disposition is subject to the UCC requirements that such sale or other disposition must be commercially reasonable) (A) sell, lease, license or otherwise dispose of any and all Collateral, and/or (B) deliver and grant options to a third party to purchase, lease, license or otherwise dispose of any and all Collateral. Agent may sell, lease, license or otherwise dispose of any Collateral in its then-present condition or following any preparation or processing deemed necessary by Agent in its reasonable discretion. Agent may be the purchaser at any such public or private sale or other disposition of Collateral, and in such case Agent may make payment of all or any portion of the purchase price therefor by the application of all or any portion of the Obligations due to Agent and Lenders to the purchase price payable in connection with such sale or disposition. Agent may, if it deems it reasonable, postpone or adjourn any sale or other disposition of any Collateral from time to time by an announcement at the time and place of the sale or disposition to be so postponed or adjourned without being required to give a new

notice of sale or disposition; ***provided, however***, that Agent shall provide the applicable Loan Party with written notice of the time and place of such postponed or adjourned sale or disposition. Each Loan Party hereby acknowledges and agrees that Agent's compliance with any requirements of applicable law in connection with a sale, lease, license or other disposition of Collateral will not be considered to adversely affect the commercial reasonableness of any sale, lease, license or other disposition of such Collateral.

(ii) *Deficiency.* Each Loan Party shall remain liable for all amounts of the Obligations remaining unpaid as a result of any deficiency of the Proceeds of the sale, lease, license or other disposition of Collateral after such Proceeds are applied to the Obligations as provided in this Agreement.

(iii) *Warranties; Sales on Credit.* Agent may sell, lease, license or otherwise dispose of the Collateral without giving any warranties and may specifically disclaim any and all warranties, including but not limited to warranties of title, possession, merchantability and fitness. Each Loan Party hereby acknowledges and agrees that Agent's disclaimer of any and all warranties in connection with a sale, lease, license or other disposition of Collateral will not be considered to adversely affect the commercial reasonableness of any such disposition of the Collateral. If Agent sells, leases, licenses or otherwise disposes of any of the Collateral on credit, Borrowers will be credited only with payments actually made in cash by the recipient of such Collateral and received by Agent and applied to the Obligations. If any Person fails to pay for Collateral acquired pursuant to this Section 7.3(f) on credit, Agent may re-offer the Collateral for sale, lease, license or other disposition.

(g) **Investment Property; Voting and Other Rights; Irrevocable Proxy**.

(i) All rights of each Loan Party to exercise any of the voting and other consensual rights which it would otherwise be entitled to exercise in accordance with the terms hereof with respect to any Investment Property, and to receive any dividends, payments, and other distributions which it would otherwise be authorized to receive and retain in accordance with the terms hereof with respect to any Investment Property, shall immediately, at the election of Agent (without requiring any notice) cease, and all such rights shall thereupon become vested solely in Agent, and Agent (personally or through an agent) shall thereupon be solely authorized and empowered, without notice, to (A) transfer and register in its name, or in the name of its nominee, the whole or any part of the Investment Property, it being acknowledged by each Loan Party that any such transfer and registration may be effected by Agent through its irrevocable appointment as attorney-in-fact pursuant to Section 7.3(g)(ii) and Section 4.4 of this Agreement, (B) exchange certificates and/or instruments representing or evidencing Investment Property for certificates and/or instruments of smaller or larger denominations, (C) exercise the voting and all other rights as a holder with respect to all or any portion of the Investment Property (including, without limitation, all economic rights, all control rights, authority and powers, and all status rights of each Loan Party as a member or as a shareholder (as applicable) of the Issuer), (D) collect and receive all dividends and other payments and distributions made thereon, (E) notify the parties obligated on any Investment Property to make payment to Agent of any amounts due or to become due thereunder, (F) endorse instruments in the name of each Loan Party to allow collection of any Investment Property, (G) enforce collection of any of the Investment Property by suit or otherwise, and surrender, release, or exchange all or any part thereof, or compromise or renew for any period (whether or not longer than the original period) any liabilities of any nature of any Person with respect thereto, (H) consummate any sales of Investment Property or exercise any other rights as set forth in Section 7.3(f) hereof, (I) otherwise act with respect to the Investment Property as though Agent was the outright owner thereof, and (J) exercise any other rights or remedies Agent may have under the UCC, other applicable law, or otherwise.

(ii) EACH LOAN PARTY HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS AGENT AS ITS PROXY AND ATTORNEY-IN-FACT FOR SUCH LOAN PARTY WITH RESPECT TO ALL OF EACH SUCH LOAN PARTY'S INVESTMENT PROPERTY WITH THE RIGHT, EXERCISABLE SOLELY DURING THE CONTINUANCE OF AN EVENT OF DEFAULT TO TAKE ANY OF THE FOLLOWING ACTIONS: (A) TRANSFER AND REGISTER IN AGENT'S NAME, OR IN THE NAME OF ITS NOMINEE, THE WHOLE OR ANY PART OF THE INVESTMENT PROPERTY, (B) VOTE THE PLEDGED EQUITY, WITH FULL POWER OF SUBSTITUTION TO DO SO, (C) RECEIVE AND COLLECT ANY DIVIDEND OR ANY OTHER PAYMENT OR DISTRIBUTION IN RESPECT OF, OR IN EXCHANGE FOR, THE INVESTMENT PROPERTY OR ANY PORTION THEREOF, TO GIVE FULL DISCHARGE FOR THE SAME AND TO INDORSE ANY INSTRUMENT MADE PAYABLE TO ANY LOAN PARTY FOR THE SAME, (D) EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES, AND REMEDIES (INCLUDING ALL ECONOMIC RIGHTS, ALL CONTROL RIGHTS, AUTHORITY AND POWERS, AND ALL STATUS RIGHTS OF EACH LOAN PARTY AS A MEMBER OR AS A SHAREHOLDER (AS APPLICABLE) OF THE ISSUER) TO WHICH A HOLDER OF THE PLEDGED COLLATERAL WOULD BE ENTITLED (INCLUDING, WITH RESPECT TO THE PLEDGED EQUITY, GIVING OR WITHHOLDING WRITTEN CONSENTS OF MEMBERS OR SHAREHOLDERS, CALLING SPECIAL MEETINGS OF MEMBERS OR SHAREHOLDERS, AND VOTING AT SUCH MEETINGS), AND (E) TAKE ANY ACTION AND TO EXECUTE ANY INSTRUMENT WHICH AGENT MAY DEEM NECESSARY OR ADVISABLE TO ACCOMPLISH THE PURPOSES OF THIS AGREEMENT. THE APPOINTMENT OF AGENT AS PROXY AND ATTORNEY-IN-FACT IS COUPLED WITH AN INTEREST AND SHALL BE VALID AND IRREVOCABLE UNTIL (X) ALL OF THE OBLIGATIONS (OTHER THAN CONTINGENT INDEMNIFICATION OBLIGATIONS) HAVE BEEN PAID IN FULL IN CASH IN ACCORDANCE WITH THE PROVISIONS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, (Y) AGENT AND LENDERS HAVE NO FURTHER OBLIGATIONS UNDER THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, AND (Z) THE COMMITMENTS UNDER THIS AGREEMENT HAVE EXPIRED OR HAVE BEEN TERMINATED (IT BEING UNDERSTOOD AND AGREED THAT SUCH OBLIGATIONS WILL BE AUTOMATICALLY REINSTATED IF AT ANY TIME PAYMENT, IN WHOLE OR IN PART, OF ANY OF THE OBLIGATIONS IS RESCINDED OR MUST OTHERWISE BE RESTORED OR RETURNED BY AGENT FOR ANY REASON WHATSOEVER, INCLUDING, WITHOUT LIMITATION, AS A PREFERENCE, FRAUDULENT CONVEYANCE, OR OTHERWISE UNDER ANY BANKRUPTCY, INSOLVENCY, OR SIMILAR LAW, ALL AS THOUGH SUCH PAYMENT HAD NOT BEEN MADE; IT BEING FURTHER UNDERSTOOD THAT IN THE EVENT PAYMENT OF ALL OR ANY PART OF THE OBLIGATIONS IS RESCINDED OR MUST BE RESTORED OR RETURNED, ALL REASONABLE AND DOCUMENTED OUT-OF-POCKET COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ALL REASONABLE ATTORNEYS' FEES AND DISBURSEMENTS) INCURRED BY AGENT IN DEFENDING AND ENFORCING SUCH REINSTATEMENT SHALL HEREBY BE DEEMED TO BE INCLUDED AS A PART OF THE OBLIGATIONS). SUCH APPOINTMENT OF AGENT AS PROXY AND AS ATTORNEY-IN-FACT SHALL BE VALID AND IRREVOCABLE AS PROVIDED HEREIN NOTWITHSTANDING ANY LIMITATIONS TO THE CONTRARY SET FORTH IN ANY ORGANIC DOCUMENTS OF ANY LOAN PARTY, ANY ISSUER, OR OTHERWISE.

(iii) In order to further effect the foregoing transfer of rights in favor of Agent, during the continuance of an Event of Default, each Loan Party hereby authorizes and instructs each Issuer of Investment Property pledged by such Loan Party to comply with any instruction received by such Issuer from Agent without any other or further instruction from such Loan Party, and each Loan Party acknowledges and agrees that each Issuer shall be fully protected in so complying, and to pay any

dividends, distributions, or other payments with respect to any of the Investment Property directly to Agent.

(iv) Upon exercise of the proxy set forth herein, all prior proxies given by any Loan Party with respect to any of the Pledged Equity or other Investment Property, as applicable (other than to Agent), are hereby revoked, and no subsequent proxies (other than to Agent) will be given with respect to any of the Pledged Equity or any of the other Investment Property, as applicable, unless Agent otherwise subsequently agrees in writing. Agent, as proxy, will be empowered and may exercise the irrevocable proxy to vote the Pledged Equity and/or the other Investment Property at any and all times during the existence of an Event of Default, including, without limitation, at any meeting of shareholders or members, as the case may be, however called, and at any adjournment thereof, or in any action by written consent, and may waive any notice otherwise required in connection therewith. To the fullest extent permitted by applicable law, Agent shall have no agency, fiduciary, or other implied duties to any Loan Party, any Issuer, any Loan Party, or any other Person when acting in its capacity as such proxy or attorney-in-fact. Each Loan Party hereby waives and releases any claims that it may otherwise have against Agent with respect to any breach, or alleged breach, of any such agency, fiduciary, or other duty.

(v) Any transfer to Agent or its nominee, or registration in the name of Agent or its nominee, of the whole or any part of the Investment Property shall be made solely for purposes of effectuating voting or other consensual rights with respect to the Investment Property in accordance with the terms of this Agreement and is not intended to effectuate any transfer of ownership of any of the Investment Property. Notwithstanding the delivery by Agent of any instruction to any Issuer or any exercise by Agent of an irrevocable proxy or otherwise, Agent shall not be deemed the owner of, or assume any obligations or any liabilities whatsoever of the owner or holder of, any Investment Property unless and until Agent expressly accepts such obligations in a duly authorized and executed writing and agrees in writing to become bound by the applicable Organic Documents or otherwise becomes the owner thereof under applicable law (including through a sale as described in Section 7.3(f) hereof). The execution and delivery of this Agreement shall not subject Agent to, or transfer or pass to Agent, or in any way affect or modify, the liability of any Loan Party under the Organic Documents of any Issuer or any related agreements, documents, or instruments or otherwise. In no event shall the execution and delivery of this Agreement by Agent, or the exercise by Agent of any rights hereunder or assigned hereby, constitute an assumption of any liability or obligation whatsoever of any Loan Party to, under, or in connection with any of the Organic Documents of any Issuer or any related agreements, documents, or instruments or otherwise.

(h) **Election of Remedies.** Agent shall have the right in Agent's sole discretion to determine which rights, security, Liens and/or remedies Agent may at any time pursue, foreclose upon, relinquish, subordinate, modify or take any other action with respect to, without in any way impairing, modifying or affecting any of Agent's other rights, security, Liens or remedies with respect to such Property, or any of Agent's rights or remedies under this Agreement or any other Loan Document.

(i) **Agent's Obligations.** Each Loan Party agrees that Agent shall not have any obligation to preserve rights to any Collateral against prior parties or to marshal any Collateral of any kind for the benefit of any other creditor of any Loan Party or any other Person. Agent shall not be responsible to any Loan Party or any other Person for loss or damage resulting from Agent's failure to enforce its Liens or collect any Collateral or Proceeds or any monies due or to become due under the Obligations or any other liability or obligation of any Loan Party to Agent.

(j) **Waiver of Rights by Loan Parties.** Except as otherwise expressly provided for in this Agreement or by non-waivable applicable law, each Loan Party waives: (i) presentment, demand

and protest and notice of presentment, dishonor, notice of intent to accelerate, notice of acceleration, protest, default, nonpayment, maturity, release, compromise, settlement, extension or renewal of any or all commercial paper, accounts, contract rights, documents, instruments, chattel paper and guaranties at any time held by Agent or any Lender on which any Loan Party may in any way be liable, and hereby ratifies and confirms whatever Agent and such Lender may do in this regard, (ii) all rights to notice and a hearing prior to Agent's taking possession or control of, or to Agent's replevy, attachment or levy upon, the Collateral or any bond or security which might be required by any court prior to allowing Agent to exercise any of its remedies and (iii) the benefit of all valuation, appraisal, marshalling and exemption laws.

8. LOAN GUARANTY.

8.1 Guaranty. Each Guarantor hereby agrees that it is jointly and severally liable for, and absolutely and unconditionally guarantees to Agent and Lenders, the prompt payment when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, all of the Obligations and all costs and expenses, including all court costs and attorneys' and paralegals' fees (including allocated costs of in-house counsel and paralegals) and expenses paid or incurred by Agent or Lenders in endeavoring to collect all or any part of the Obligations from, or in prosecuting any action against, any Borrower, or any Guarantor of all or any part of the Obligations (and such costs and expenses paid or incurred shall be deemed to be included in the Obligations). Each Guarantor further agrees that the Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. All terms of this Loan Guaranty apply to and may be enforced by or on behalf of any branch or Affiliate of Agent or any Lender that extended any portion of the Obligations.

8.2 Guaranty of Payment. This Loan Guaranty is a guaranty of payment and not of collection. Each Guarantor waives any right to require Agent or any Lender to sue or otherwise take action against any Borrower, any other Guarantor, or any other Person obligated for all or any part of the Obligations, or otherwise to enforce its payment against any Collateral securing all or any part of the Obligations.

8.3 No Discharge or Diminishment of Loan Guaranty.

(a) Except as otherwise expressly provided for herein, the obligations of each Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the indefeasible payment in full in cash of all of the Obligations), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of any Borrower or any other Guarantor; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Borrower or any other Guarantor, or their assets or any resulting release or discharge of any obligation of any Borrower or any other Guarantor; or (iv) the existence of any claim, setoff or other rights which any Guarantor may have at any time against any Borrower, any other Guarantor, Agent, any Lender, or any other Person, whether in connection herewith or in any unrelated transactions.

(b) The obligations of each Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Borrower or any other Guarantor, of the Obligations or any part thereof.

(c) Further, the obligations of any Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of Agent or any Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for all or any part of the Obligations or all or any part of any obligations of any Guarantor; (iv) any action or failure to act by Agent or any Lender with respect to any Collateral; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Guarantor or that would otherwise operate as a discharge of any Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of all of the Obligations).

8.4 Defenses Waived. To the fullest extent permitted by applicable law, each Guarantor hereby waives any defense based on or arising out of any defense of any Guarantor or the unenforceability of all or any part of the Obligations from any cause, or the cessation from any cause of the liability of any Guarantor, other than the indefeasible payment in full in cash of all of the Obligations. Without limiting the generality of the foregoing, each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against any Borrower, or any other Person. Each Guarantor confirms that it is not a surety under any state law and shall not raise any such law as a defense to its obligations hereunder. Agent may, at its election, foreclose on any Collateral held by it by one or more judicial or nonjudicial sales, accept an assignment of any such Collateral in lieu of foreclosure or otherwise act or fail to act with respect to any Collateral, compromise or adjust any part of the Obligations, make any other accommodation with any Borrower or any other Guarantor or exercise any other right or remedy available to it against any Borrower or any other Guarantor, without affecting or impairing in any way the liability of any Guarantor under this Loan Guaranty except to the extent the Obligations have been fully and indefeasibly paid in cash. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Borrower or any other Guarantor or any security.

8.5 Rights of Subrogation. No Guarantor will assert any right, claim or cause of action, including, without limitation, a claim of subrogation, contribution or indemnification that it has against any Borrower or any other Guarantor, or any Collateral, until the Termination Date.

8.6 Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Obligations is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of any Borrower or any other Person, or otherwise, each Guarantor's obligations under this Loan Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made and whether or not Agent or any Lender is in possession of this Loan Guaranty. If acceleration of the time for payment of any of the Obligations is stayed upon the insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Obligations shall nonetheless be payable by the Loan Parties forthwith on demand by Agent. This Section 8.6 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Obligations.

8.7 Information. Each Guarantor assumes all responsibility for being and keeping itself informed of Borrowers' financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Obligations and the nature, scope and extent of the risks that each Guarantor

assumes and incurs under this Loan Guaranty, and agrees that neither Agent nor any Lender shall not have any duty to advise any Guarantor of information known to it regarding those circumstances or risks.

8.8 Termination. To the maximum extent permitted by law, each Guarantor hereby waives any right to revoke this Loan Guaranty as to future Obligations. If such a revocation is effective notwithstanding the foregoing waiver, each Guarantor acknowledges and agrees that (a) no such revocation shall be effective until written notice thereof has been received by Agent, (b) no such revocation shall apply to any Obligations in existence on the date of receipt by Agent of such written notice (including any subsequent continuation, extension, or renewal thereof, or change in the interest rate, payment terms, or other terms and conditions thereof), (c) no such revocation shall apply to any Obligations made or created after such date to the extent made or created pursuant to a legally binding commitment of Lender, (d) no payment by any Borrower, any other Guarantor, or from any other source, prior to the date of Agent's receipt of written notice of such revocation shall reduce the maximum obligation of any Guarantor hereunder, and (e) any payment, by any Borrower or from any source other than a Guarantor which has made such a revocation, made subsequent to the date of such revocation, shall first be applied to that portion of the Obligations as to which the revocation is effective and which are not, therefore, guarantied hereunder, and to the extent so applied shall not reduce the maximum obligation of any Guarantor hereunder.

8.9 Maximum Liability. The provisions of this Loan Guaranty are severable, and in any action or proceeding involving any federal or state corporate law or other law governing business entities, or any state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor under this Loan Guaranty would otherwise be held or determined to be avoidable, invalid or unenforceable on account of the amount of such Guarantor's liability under this Loan Guaranty, then, notwithstanding any other provision of this Loan Guaranty to the contrary, the amount of such liability shall, without any further action by the Loan Parties, Agent or any Lender, be automatically limited and reduced to the highest amount that is valid and enforceable as determined in such action or proceeding (such highest amount determined hereunder being the relevant Guarantor's "***Maximum Liability***"). This Section with respect to the Maximum Liability of each Guarantor is intended solely to preserve the rights of Agent and Lenders to the maximum extent not subject to avoidance under applicable law, and no Guarantor nor any other Person shall have any right or claim under this Section with respect to such Maximum Liability, except to the extent necessary so that the obligations of any Guarantor hereunder shall not be rendered voidable under applicable law. Each Guarantor agrees that the Obligations may at any time and from time to time exceed the Maximum Liability of each Guarantor without impairing this Loan Guaranty or affecting the rights and remedies of Agent and Lenders hereunder, ***provided***, that, nothing in this sentence shall be construed to increase any Guarantor's obligations hereunder beyond its Maximum Liability.

8.10 Contribution. In the event any Guarantor shall make any payment or payments under this Loan Guaranty or shall suffer any loss as a result of any realization upon any collateral granted by it to secure its obligations under this Loan Guaranty (such Guarantor a "***Paying Guarantor***"), each other Guarantor (each a "***Non-Paying Guarantor***") shall contribute to such Paying Guarantor an amount equal to such Non-Paying Guarantor's "Applicable Percentage" of such payment or payments made, or losses suffered, by such Paying Guarantor. For purposes of this Section 8.10, each Non-Paying Guarantor's "Applicable Percentage" with respect to any such payment or loss by a Paying Guarantor shall be determined as of the date on which such payment or loss was made by reference to the ratio of (a) such Non-Paying Guarantor's Maximum Liability as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder) or, if such Non-Paying Guarantor's Maximum Liability has not been determined, the aggregate amount of all monies received by such Non-Paying Guarantor from Borrowers after the date hereof (whether by loan, capital infusion or by other means) to (b) the aggregate Maximum Liability of all Loan Parties hereunder (including such Paying Guarantor) as

of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder), or to the extent that a Maximum Liability has not been determined for any Guarantor, the aggregate amount of all monies received by such Loan Parties from Borrowers after the date hereof (whether by loan, capital infusion or by other means). Nothing in this provision shall affect any Guarantor's several liability for the entire amount of the Obligations (up to such Guarantor's Maximum Liability). Each of the Loan Parties covenants and agrees that its right to receive any contribution under this Loan Guaranty from a Non-Paying Guarantor shall be subordinate and junior in right of payment to the payment in full in cash of all of the Obligations. This provision is for the benefit of Agent, each Lender and the Loan Parties and may be enforced by any one, or more, or all of them in accordance with the terms hereof.

8.11 Liability Cumulative. The liability of each Guarantor under this Section 8 is in addition to and shall be cumulative with all liabilities of each Guarantor to Agent and each Lender under this Agreement and the other Loan Documents to which such Guarantor is a party or in respect of any obligations or liabilities of the other Loan Parties, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

9. PAYMENTS FREE OF TAXES; OBLIGATION TO WITHHOLD; PAYMENTS ON ACCOUNT OF TAXES.

9.1 Taxes.

(a) Any and all payments by or on account of any obligation of the Loan Parties hereunder or under any other Loan Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes, except as required by applicable law. If, however, applicable laws require the Loan Parties to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such laws as the case may be, upon the basis of the information and documentation to be delivered pursuant to clause (e) below.

(b) If any Loan Party shall be required by applicable law to withhold or deduct any Taxes from any payment, then (i) such Loan Party shall withhold or make such deductions as are required based upon the information and documentation it has received pursuant to clause (e) below, (ii) such Loan Party shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the applicable law, and (iii) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the Loan Parties shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made. Upon request by Agent or any Lender or other Recipient, Borrowers shall deliver to Agent or such Lender or such other Recipient, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment of Indemnified Taxes, a copy of any return required by applicable law to report such payment or other evidence of such payment reasonably satisfactory to Agent or such Lender or such other Recipient, as the case may be.

(c) Without limiting the provisions of subsections (a) and (b) above, the Loan Parties shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(d) Without limiting the provisions of subsections (a) through (c) above, each Loan Party shall, and does hereby, on a joint and several basis indemnify Agent, each Lender and each other Recipient (and their respective directors, officers, employees, affiliates and agents) and shall make

payment in respect thereof within ten (10) days after written demand therefor, for the full amount of any Indemnified Taxes and Other Taxes (including Indemnified Taxes and Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid or incurred by Agent, such Lender or any other Recipient on account of, or in connection with any Loan Document or a breach by a Loan Party thereof, and any penalties, interest and related expenses and losses arising therefrom or with respect thereto (including the fees, charges and disbursements of any counsel or other tax advisor for Agent, any Lender or any other Recipient (or their respective directors, officers, employees, affiliates, and agents)), whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to Borrowers shall be conclusive absent manifest error. Notwithstanding any provision in this Agreement to the contrary, this Section 9.1 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Loans.

(e) If Agent, any Lender or any Participant is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, Agent and each Lender, as applicable, shall deliver to Borrowers and each such Participant shall deliver to such Lender granting the participation, at the time or times prescribed by applicable laws or reasonably requested by the Borrowers or such Lender granting the participation, such properly completed and executed documentation as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, Agent and each Lender shall deliver to Borrowers and each Participant shall deliver to Agent and such Lender granting the participation, at the time or times prescribed by applicable laws or reasonably requested by the Borrowers or such Lender granting the participation, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction or such other reasonably requested information as will enable Borrowers or such Lender granting the participation, as the case may be, to determine (i) whether or not payments made hereunder or under any other Loan Document are subject to Taxes or information reporting requirements, (ii) if applicable, the required rate of withholding or deduction, and (iii) such Lender's or Participant's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Recipient by the Loan Parties pursuant to this Agreement or otherwise to establish such Recipient's status for withholding tax purposes in the applicable jurisdiction. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 9.1(e)(i), (ii) or (iii)) shall not be required if in the Lender's or Participant's reasonable judgment such completion, execution or submission would subject such Lender or Participant to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender or Participant (this provision shall be referred to as the "**Lender Documentation Exception**").

Without limiting the generality of the foregoing, if a Borrower is resident for tax purposes in the United States:

(i) Each Lender (or Participant) that is a "United States person" within the meaning of Section 7701(a)(30) of the Code shall deliver to Borrowers (or such Lender granting a participation as applicable) on or about the date on which such Lender becomes a lender (or such Participant is granted a participation) under this Agreement (and from time to time thereafter upon the reasonable request of the Borrowers or such Lender granting such participation), executed copies of Internal Revenue Service Form W-9 (or any successor form), certifying that such Lender (or such Participant) is exempt from U.S. federal backup withholding tax;

(ii) Each Lender (or Participant) that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code (a "***Non-U.S. Recipient***") shall deliver to Borrowers (and such Lender granting a participation in case the Non-U.S. Recipient is a Participant) on or prior to

the date on which such Non-U.S. Recipient becomes a lender (or such Participant is granted a participation) under this Agreement (and from time to time thereafter upon the reasonable request of Borrowers or such Lender granting such participation but only if such Non-U.S. Recipient is legally entitled to do so), whichever of the following is applicable: (A) executed copies of Internal Revenue Service Form W-8BEN (or any successor form) or Form W-8BEN-E (or any successor form) claiming eligibility for benefits of an income tax treaty to which the United States is a party; (B) executed copies of Internal Revenue Service Form W-8ECI (or any successor form); (C) to the extent a Non-U.S. Recipient is not the beneficial owner, executed copies of Internal Revenue Service Form W-8IMY (or any successor form) and all required supporting documentation; (D) each Non-U.S. Recipient claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, shall provide (x) a certificate to the effect that such Non-U.S. Recipient is not (I) a "bank" within the meaning of section 881(c)(3)(A) of the Code, (II) a "10 percent shareholder" of the Borrowers within the meaning of section 881(c)(3)(B) of the Code, or (III) a "controlled foreign corporation" described in section 881(c)(3)(C) of the Code and (y) executed copies of Internal Revenue Service Form W-8BEN (or any successor form) or Form W-8BEN-E (or any successor form); and/or (E) executed copies of any other form prescribed by applicable law (including FATCA) as a basis for claiming exemption from or a reduction in United States Federal withholding tax together with such supplementary documentation as may be prescribed by applicable law to permit Borrowers or any Lender granting a participation, to determine the withholding or deduction required to be made;

(iii) If a payment made to Agent or any Lender (or Participant) under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if Agent or such Lender (or such Participant) were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), Agent or such Lender (or such Participant) shall deliver to the Borrowers and such Lender granting such participation at the time or times prescribed by law and at such time or times reasonably requested by the Borrowers or such Lender granting such participation such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrowers or such Lender granting such participation as may be necessary for the Borrowers and such Lender granting such participation to comply with their obligations under FATCA and to determine that such Lender or such Participant has complied with such Lender's or such Participant's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this (iii), "FATCA" shall include any amendments made to FATCA after the date of this Agreement; and

(iv) If any form or certification previously delivered by any Lender (or any Participant) expires or becomes obsolete or inaccurate in any respect, such Lender (or any Participant) shall update such form or certification or promptly notify Borrowers (or such Lender granting a participation) of its legal inability to do so.

(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 9.1 (including by the payment of additional amounts pursuant to this Section 9.1), 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 Section 9.1(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 Section 9.1(f), in no event will

the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 9.1(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 indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person. For purposes of this Section 9.1(f), all references to "refund" shall include the monetary benefit of a credit received in lieu of a refund of Taxes.

(g) Each party's obligations under this Section 9.1 shall survive any assignment of rights by any Lender or any Participant and the repayment, satisfaction or discharge of all obligations under any Loan Document.

10. GENERAL PROVISIONS.

10.1 Notices.

(a) **Notice by Approved Electronic Communications**.

Agent, each Lender and each of its Affiliates is authorized to transmit, post or otherwise make or communicate, in its sole discretion (but shall not be required to do so), by Approved Electronic Communications in connection with this Agreement or any other Loan Document and the transactions contemplated therein. Agent is hereby authorized to establish procedures to provide access to and to make available or deliver, or to accept, notices, documents and similar items by posting to Passport 6.0. Each of the Loan Parties, Agent and each Lender hereby acknowledges and agrees that the use of Passport 6.0 and other Approved Electronic Communications is not necessarily secure and that there are risks associated with such use, including risks of interception, disclosure and abuse and each indicates it assumes and accepts such risks by hereby authorizing Agent, each Lender and each of its Affiliates to transmit Approved Electronic Communications. Passport 6.0 and all Approved Electronic Communications shall be provided "as is" and "as available". None of Agent, any Lender or any of its Affiliates or related persons warrants the accuracy, adequacy or completeness of Passport 6.0 or any other electronic platform or electronic transmission and disclaims all liability for errors or omissions therein. No warranty of any kind is made by Agent, any Lender or any of its Affiliates or related persons in connection with Passport 6.0 or any other electronic platform or electronic transmission, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects. Each Borrower and each other Loan Party executing this Agreement agrees that neither Agent, nor any Lender has responsibility for maintaining or providing any equipment, software, services or any testing required in connection with Passport 6.0, any Approved Electronic Communication or otherwise required for Passport 6.0 or any Approved Electronic Communication.

Prior to the Closing Date, Borrowing Agent shall deliver to Agent a complete and executed Client User Form regarding Borrowing Agent's use of Passport 6.0 in the form of Exhibit C annexed hereto.

No Approved Electronic Communications shall be denied legal effect merely because it is made electronically. Approved Electronic Communications that are not readily capable of bearing either a signature or a reproduction of a signature may be signed, and shall be deemed signed, by attaching to, or logically associating with such Approved Electronic Communication, an E-Signature, upon which Agent, each Lender and the Loan Parties may rely and assume the

authenticity thereof. Each Approved Electronic Communication containing a signature, a reproduction of a signature or an E-Signature shall, for all intents and purposes, have the same effect and weight as a signed paper original. Each E-Signature shall be deemed sufficient to satisfy any requirement for a "signature" and each Approved Electronic Communication shall be deemed sufficient to satisfy any requirement for a "writing", in each case including pursuant to this Agreement, any other Loan Document, the Uniform Commercial Code, the Federal Uniform Electronic Transactions Act, the Electronic Signatures in Global and National Commerce Act and any substantive or procedural law governing such subject matter. Each party or beneficiary hereto agrees not to contest the validity or enforceability of an Approved Electronic Communication or E-Signature under the provisions of any applicable law requiring certain documents to be in writing or signed; ***provided***, that nothing herein shall limit such party's or beneficiary's right to contest whether an Approved Electronic Communication or E-Signature has been altered after transmission.

(b) **All Other Notices**.

All notices, requests, demands and other communications under or in respect of this Agreement or any transactions hereunder, other than those approved for or required to be delivered by Approved Electronic Communications (including via Passport 6.0 or otherwise pursuant to Section 10.1(a)), shall be in writing and shall be personally delivered or mailed (by prepaid registered or certified mail, return receipt requested), sent by prepaid recognized overnight courier service, or by email to the applicable party at its address or email address indicated below,

If to Agent:

Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, Connecticut 06902
Attention: Steve Sanicola
Email: ssanicola@sienalending.com

with a copy to:

Otterbourg P.C.
230 Park Avenue
New York, NY 10169
Attention: Jason I. Miller, Esq.
Email: jmiller@otterbourg.com

If to any Lender, to the address set forth on Schedule F for such Lender.

If to Borrowers or any other Loan Party:

iMedia Brands, Inc.
6740 Shady Oak Road
Eden Prairie, Minnesota 55344
Attention: Chief Financial Officer
Telephone: 952-943-6000
Facsimile: 952-943-6111
Email: mwageman@imediabrands.com

with a copy to:

Faegre Drinker Biddle & Reath LLP
2200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402
Attention: Nicole J. Leimer
Email: nicole.leimer@faegredrinker.com

or, as to each party, at such other address as shall be designated by such party in a written notice to the other party delivered as aforesaid. All such notices, requests, demands and other communications shall be deemed given (i) when personally delivered, (ii) three (3) Business Days after being deposited in the mails with postage prepaid (by registered or certified mail, return receipt requested), (iii) one (1) Business Day after being delivered to the overnight courier service, if prepaid and sent overnight delivery, addressed as aforesaid and with all charges prepaid or billed to the account of the sender, or (iv) when sent by email transmission to an email address designated by such addressee and the sender receives a confirmation of transmission.

10.2 Severability. If any provision of this Agreement or any other Loan Document is held invalid or unenforceable, either in its entirety or by virtue of its scope or application to given circumstances, such provision shall thereupon be deemed modified only to the extent necessary to render same valid, or not applicable to given circumstances, or excised from this Agreement or such other Loan Document, as the situation may require, and this Agreement and the other Loan Documents shall be construed and enforced as if such provision had been included herein as so modified in scope or application, or had not been included herein or therein, as the case may be.

10.3 Integration. This Agreement and the other Loan Documents represent the final, entire and complete agreement between each Loan Party party hereto and thereto, Agent and Lenders and supersede all prior and contemporaneous negotiations, oral representations and agreements, all of which are merged and integrated into this Agreement. THERE ARE NO ORAL UNDERSTANDINGS, REPRESENTATIONS OR AGREEMENTS BETWEEN THE PARTIES THAT ARE NOT SET FORTH IN THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS.

10.4 Waivers. The failure of Agent or any Lender at any time or times to require any Loan Party to strictly comply with any of the provisions of this Agreement or any other Loan Documents shall not waive or diminish any right of Agent or any Lender later to demand and receive strict compliance therewith. Any waiver of any default shall not waive or affect any other default, whether prior or subsequent, and whether or not similar. None of the provisions of this Agreement or any other Loan Document shall be deemed to have been waived by any act or knowledge of Agent or any Lender or any of their agents or employees, but only by a specific written waiver signed by an authorized officer of Agent and delivered to Borrowers. Once an Event of Default shall have occurred, it shall be deemed to continue to exist and not be cured or waived unless specifically cured pursuant to the terms of this Agreement or waived in writing by an authorized officer of Agent and Required Lenders and delivered to Borrowers. Each Loan Party waives demand, protest, notice of protest and notice of default or dishonor, notice of payment and nonpayment, release, compromise, settlement, extension or renewal of any commercial paper, Instrument, Account, General Intangible, Document, Chattel Paper, Investment Property or guaranty at any time held by Agent or any Lender on which such Loan Party is or may in any

way be liable, and notice of any action taken by Agent or any Lender, unless expressly required by this Agreement or by applicable law, and notice of acceptance hereof.

10.5 Amendment.

(a) No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent with respect to any departure by any Loan Party therefrom, shall be effective unless the same shall be in writing and signed by Agent, the Required Lenders (or by Agent with the consent of the Required Lenders), and the Loan Parties, and then such waiver shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such waiver, amendment, or consent shall, unless in writing and signed by all the Lenders directly affected thereby (or by Agent with the consent of all the Lenders directly affected thereby), in addition to Agent, the Required Lenders (or by Agent with the consent of the Required Lenders), and the Borrowers, do any of the following:

(i) increase or extend the Commitment of such Lender (or reinstate any Commitments previously terminated);

(ii) postpone or delay any date fixed for, or reduce or waive, any scheduled installment of principal or any payment of interest, fees or other amounts (other than principal) due to such Lender hereunder or under any other Loan Document (for the avoidance of doubt, mandatory prepayments pursuant to Sections 1.8(a) and (b) may be postponed, delayed, reduced, waived or modified with the consent of the Required Lenders);

(iii) reduce the principal of, or the rate of interest specified herein (it being agreed that waiver of the default interest margin shall only require the consent of Required Lenders) or the amount of interest payable in cash specified herein on the Loans of such Lender, or of any fees or other amounts payable hereunder or under any other Loan Document for such Lender;

(iv) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Loans which shall be required for the Lenders or any of them to take any action hereunder;

(v) amend, modify or eliminate Section 1.6 or 5.28;

(vi) amend this Section 10.5.10.5 or, subject to the terms of this Agreement, the definition of Required Lenders, the definition of Pro Rata Share or any provision providing for consent or other action by all Lenders;

(vii) discharge any Loan Party from its respective payment Obligations under the Loan Documents, or release all or substantially all of the Collateral, except as otherwise may be provided in this Agreement or the other Loan Documents; or

(viii) amend or modify Section 4.2; or

(ix) it being agreed that all Lenders shall be deemed to be directly affected by an amendment or waiver of the type described in the preceding clauses 0(iv), 0(v), 0(vi), 0(vii) and (viii).

(b) No amendment, waiver or consent shall, unless in writing and signed by Agent, and the Required Lenders or all Lenders directly affected thereby or all the Lenders, as the case may be

(or by Agent with the consent of the Required Lenders or all the Lenders directly affected thereby or all the Lenders), affect the rights or duties of Agent under this Agreement or any other Loan Document.

(c) Notwithstanding anything to the contrary contained in this Section 10.5.10.5 or any other provision of this Agreement or any other Loan Document, Agent and the Borrower may amend or modify this Agreement and any other Loan Document (without the consent of any Lender) to (i) cure any ambiguity, omission, defect or inconsistency therein, and (ii) grant a new Lien for the benefit of the Agent and Lenders, extend an existing Lien over additional assets for the benefit of the Lenders or join additional Persons as Loan Parties.

(d) No amendment, waiver, modification, elimination, or consent shall, without written consent of Agent, the Borrowers and the Required Lenders, amend, modify, or eliminate the definition of Borrowing Base or any of the defined terms that are used in such definition to the extent that any such change results in more credit being made available to the Borrowers based upon the Borrowing Base (unless such amendment is to increase the credit being made available to Borrowers following an amendment to decrease the credit available to the Borrowers under the Borrowing Base; provided, that, such availability shall not exceed the amount available on the Closing Date).

(e) Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that any of the matters governed by Section 10.5(a)(i) through (iii) that affect such Defaulting Lender may not be amended without the consent of such Defaulting Lender.

(f) In the event that (i) Agent or Borrowers request the consent of a Lender pursuant to this Section 10.5 with respect to any action to be taken by Lenders or Agent hereunder that requires the consent authorization, or agreement of all Lenders or all Lenders affected thereby, and such consent is denied by such Lender but otherwise obtained from the Required Lenders but not of all Lenders or all Lenders affected thereby, (ii) any Lender (other than Agent) makes a request makes any request for increased costs pursuant to Section 1.9(b) or (iii) any Lender (other than Agent) invokes the Lender Documentation Exception, then Agent or Borrowing Agent may, at its option, require such Lender to assign its interest in the Loans and its Revolving Loans Commitment to Agent or to another Lender or to any other Person designated by Agent or Borrower and reasonably acceptable to Agent (the "Designated Lender"), for a price equal to (i) the then outstanding principal amount thereof plus (ii) accrued and unpaid interest and fees due such Lender, which interest and fees shall be paid when collected from Borrowers. In the event Agent or Borrowing Agent elects to require any Lender to assign its interest to Agent or to the Designated Lender, Agent or Borrower will so notify such Lender in writing within thirty (30) days following such Lender's denial, and such Lender will assign its interest to Agent or the Designated Lender no later than five (5) Business Days following receipt of such notice pursuant to the applicable documentation executed by such Lender, Agent or the Designated Lender, as appropriate, and Agent.

10.6 Time of Essence. Time is of the essence in the performance by each Loan Party of each and every obligation under this Agreement and the other Loan Documents.

10.7 Expenses, Fee and Costs Reimbursement. Borrowers hereby agree to promptly and jointly and severally pay (a) all fees, costs and expenses of Agent on its behalf or on behalf of Lenders (including Agent's underwriting fees) and (b) all out of pocket fees, costs and expenses of one main legal counsel to Agent (and one local counsel in each relevant jurisdiction and one special or regulatory counsel for each relevant subject matter to the extent reasonably necessary), and appraisers, accountants, consultants and other professionals and advisors retained by or on behalf of, Agent on its behalf or on behalf of Lenders all of which shall be reasonable, prior to the occurrence and continuance of an Event of

Default, and documented in connection with: (i) all loan proposals and commitments pertaining to the transactions contemplated hereby (whether or not such transactions are consummated), (ii) the examination, review, due diligence investigation, documentation, negotiation, and closing of the transactions contemplated by the Loan Documents (whether or not such transactions are consummated), (iii) the creation, perfection and maintenance of Liens pursuant to the Loan Documents, (iv) the performance by Agent or any Lender of its rights and remedies under the Loan Documents, (v) the administration of the Loans (including usual and customary fees for wire transfers and other transfers or payments received by Agent or any Lender on account of any of the Obligations) and Loan Documents, (vi) any amendments, modifications, consents and waivers to and/or under any and all Loan Documents (whether or not such amendments, modifications, consents or waivers are consummated), (vii) any periodic public record searches conducted by or at the request of Agent (including, title investigations and public records searches), pending litigation and tax lien searches and searches of applicable corporate, limited liability company, partnership and related records concerning the continued existence, organization and good standing of Loan Parties), (viii) protecting, storing, insuring, handling, maintaining, auditing, examining, valuing or selling any Collateral, (ix) any litigation, dispute, suit or proceeding relating to any Loan Document, and (x) any workout, collection, bankruptcy, insolvency and other enforcement proceedings under any and all of the Loan Documents (it being agreed that such costs and expenses may include the costs and expenses of workout consultants, investment bankers, financial consultants, appraisers, valuation firms and other professionals and advisors retained by or on behalf of Agent), and (c) without limitation of the preceding clauses (a) and (b), all out of pocket costs and expenses of Agent in connection with Agent's reservation of funds in anticipation of the funding of the initial Loans to be made hereunder. Any fees, costs and expenses owing by Borrowers or any other Loan Party hereunder shall be due and payable within three (3) days after written demand therefor.

10.8 Benefit of Agreement; Assignability.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the respective successors, assigns, heirs, beneficiaries and representatives of Borrowers, each other Loan Party party hereto, Agent and each Lender; ***provided***, that (a) neither any Borrower nor any other Loan Party may assign or transfer any of its rights under this Agreement without the prior written consent of Agent, and any prohibited assignment shall be void and (b) assignments by any Lender shall be subject to Sections 0 through 0. No consent by Agent to any assignment shall release any Loan Party from its liability for any of the Obligations. Agent and each Lender shall have the right to assign all or any of its rights and obligations under the Loan Documents to one or more other Persons subject to Section 10.8(b), and each Loan Party agrees, to the extent applicable, to execute any agreements, instruments and documents reasonably requested by Agent in connection with any such assignments. Notwithstanding any provision of this Agreement or any other Loan Document to the contrary, each Lender may at any time pledge or grant a security interest in all or any portion of its rights under this Agreement and the other Loan Documents to secure obligations of such Lender, including any pledge or grant to secure obligations to a Federal Reserve Bank.

(b) **Lender Assignments.** Each Lender may sell, transfer, negotiate or assign all or a portion of its rights and obligations hereunder (including all or a portion of its Commitments and its rights and obligations with respect to its portion of the Loans) (each a "Sale") to:

(i) any existing Lender;

(ii) any Affiliate or Approved Fund of any existing Lender;

(iii) any other Person acceptable to (x) Agent and (y) which acceptance shall not be unreasonably withheld or delayed, Borrowers; *provided*, *however*, that:

(A) in the event an Event of Default has occurred and is continuing, the consent of Borrowers shall not be required for any Sale;

(B) the consent of Borrower shall be deemed to have been given unless an objection is delivered to Agent within ten (10) Business Days after notice of a proposed Sale is delivered to Borrowers;

(C) for each Revolving Loan, the aggregate outstanding principal amount (determined as of the effective date of the applicable Assignment and Acceptance) of the Revolving Loan and the Commitments subject to any such Sale shall be in a minimum amount of $5,000,000, unless such Sale is made to an existing Lender or an Affiliate or Approved Fund of any existing Lender, is of the assignor's (together with its Affiliates and Approved Funds) entire interest in such facility or is made with the prior consent of Agent.

Notwithstanding the foregoing, Agent's refusal to accept a Sale to a Loan Party, a Subsidiary or Affiliate of a Loan Party, or the imposition of conditions or limitations (including limitations on voting) upon Sales to such Persons, shall not be deemed to be unreasonable. No assignment hereunder shall be permitted if to any Ineligible Assignee.

(c) **Procedure.** The assignee and assignor parties to each Sale made in reliance on clause (b) above (other than those described in clause (e) below) shall execute and deliver to Agent an Assignment and Acceptance evidencing such Sale, together with any existing note subject to such Sale (or any affidavit of loss therefor acceptable to Agent), any Tax forms required to be delivered pursuant to Section 9 and payment of an assignment fee in the amount of $3,500 to Agent, unless waived or reduced by Agent, provided that (1) if a Sale by a Lender is made to an Affiliate or an Approved Fund of such assigning Lender, then no assignment fee shall be due in connection with such Sale, and (2) if a Sale by a Lender is made to an assignee that is not an Affiliate or Approved Fund of such assignor Lender, and concurrently to one or more Affiliates or Approved Funds of such Assignee, then only one assignment fee of $3,500 (unless waived or reduced by Agent) shall be due in connection with such Sale. Upon receipt of all the foregoing, and conditioned upon such receipt and, if such Sale is made in accordance with Section 10.9, upon Agent consenting to such Sale, from and after the effective date specified in the Assignment and Acceptance, Agent shall record or cause to be recorded in the Register the information contained in such Assignment and Acceptance.

(d) **Effectiveness.** Subject to the Register recording requirements by Agent relating to an Assignment and Acceptance pursuant to Section 10.9, (i) the assignee thereunder shall become a party hereto and, to the extent that rights and obligations under the Loan Documents have been assigned to such assignee pursuant to such Assignment and Acceptance, shall have the rights and obligations of a Lender, (ii) any applicable note shall be transferred to such assignee through such entry and (iii) the assignor thereunder shall, to the extent that rights and obligations under this Agreement have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (except for those surviving the termination of the Commitments and the payment in full of the Obligations) and be released from its obligations under the Loan Documents, other than those relating to events or circumstances occurring prior to such assignment (and, in the case of an Assignment and Acceptance covering all or the

remaining portion of an assigning Lender's rights and obligations under the Loan Documents, such Lender shall cease to be a party hereto).

10.9 Recordation of Assignment. In respect of any Sale of all or any portion of any Lender's interest in this Agreement and/or any other Loan Documents at any time and from time to time, the following provisions shall be applicable:

(a) Borrowers, or any agent appointed by Borrowers, shall maintain a register (the "***Register***") in which there shall be recorded the name and address of each Person holding any Loans or any commitment to lend hereunder, and the principal amount and stated interest payable to such Person hereunder or committed by such Person under such Person's lending commitment. Borrowers hereby irrevocably appoint Agent (and/or any subsequent Agent appointed by Agent then maintaining the Register) as Borrowers' non-fiduciary agent for the purpose of maintaining the Register.

(b) In connection with any Sale as aforesaid, the transferor/assignor shall deliver to Agent then maintaining the Register an assignment and assumption agreement executed by the transferor/assignor and the transferee/assignee, setting forth the specifics of the subject transaction, including but not limited to the amount and nature of Obligations and/or lending commitments being transferred or assigned (and being assumed, as applicable), and the proposed effective date of such transfer or assignment and the related assumption (if applicable).

(c) Subject to receipt of any required tax forms reasonably required by Agent, Agent shall record the subject transfer, assignment and assumption in the Register. Anything contained in this Agreement or other Loan Document to the contrary notwithstanding, no Sale shall be effective until it is recorded in the Register pursuant to this Section 10.9(c). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error; and each Borrower, Agent and each Lender shall treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement and the other Loan Documents. The Register shall be available for inspection by each Borrower and each Lender at any reasonable time and from time to time upon reasonable prior notice.

10.10 Participations. Anything in this Agreement or any other Loan Document to the contrary notwithstanding, each Lender may, at any time and from time to time, without in any manner affecting or impairing the validity of any Obligations, sell to one or more Persons participating interests in its Loans, commitments and/or other interests hereunder and/or under any other Loan Document (any such Person, a "Participant"). In the event of a sale by any Lender of a participating interest to a Participant, (a) such Lender's obligations hereunder and under the other Loan Documents shall remain unchanged for all purposes, (b) Borrowers and Agent shall continue to deal solely and directly with each other in connection with such Lender's rights and obligations hereunder and under the other Loan Documents and (c) all amounts payable by Borrowers shall be determined as if such Lender had not sold such participation and shall be paid directly to such Lender; provided, however, a Participant shall be entitled to the benefits of Section 9.1 as if it were a Lender if Borrowers are notified of the Participation and the Participant complies with Section 9.1(e). Borrowers agree that if amounts outstanding under this Agreement or any other Loan Document are due and payable (as a result of acceleration or otherwise), each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this Agreement and the other Loan Documents to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement; provided, that such right of set-off shall not be exercised without the prior written consent of such Lender and shall be subject to the obligation of each Participant to share with such Lender its share thereof. Borrowers also agree that each Participant shall be entitled to the benefits of Section 10.9 as if it were a Lender. Notwithstanding the granting of any such participating interests: (x) Borrowers shall look solely to Lenders for all purposes of this Agreement, the Loan Documents and the transactions contemplated

hereby, (y) Borrowers shall at all times have the right to rely upon any amendments, waivers or consents signed by Agent and Required Lenders as being binding upon all of the Participants, and (z) all communications in respect of this Agreement and such transactions shall remain solely between Borrowers, Agent and Lenders (exclusive of Participants) hereunder. Each Lender granting a participation hereunder shall maintain, as a non-fiduciary agent of Borrowers, a register as to the participations granted and transferred under this Section containing the same information specified in Section 10.9 on the Register as if each Participant were a Lender to the extent required to cause the Loans to be in registered form for the purposes of Sections 163(f), 165(j), 871, 881, and 4701 of the Code.

10.11 Headings; Construction. Section and subsection headings are used in this Agreement only for convenience and do not affect the meanings of the provisions that they precede.

10.12 USA PATRIOT Act Notification. Agent hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act, it may be required to obtain, verify and record certain information and documentation that identifies such Person, which information may include the name and address of each such Person and such other information that will allow Agent to identify such Persons in accordance with the USA PATRIOT Act.

10.13 Counterparts; Email Signatures. This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same agreement. This Agreement may be executed by signatures delivered by electronic mail, each of which shall be fully binding on the signing party.

10.14 GOVERNING LAW. THIS AGREEMENT, ALONG WITH ALL OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED OTHERWISE IN SUCH OTHER LOAN DOCUMENT) SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED THEREIN WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW). FURTHER, THE LAW OF THE STATE OF NEW YORK SHALL APPLY TO ALL DISPUTES OR CONTROVERSIES ARISING OUT OF OR CONNECTED TO OR WITH THIS AGREEMENT AND ALL SUCH OTHER LOAN DOCUMENTS WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW).

10.15 WAIVERS AND JURISDICTION.

(a) **CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL; CONSENT TO SERVICE OF PROCESS**. ANY LEGAL ACTION, SUIT OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL BE BROUGHT EXCLUSIVELY IN THE COURTS OF THE STATE OF NEW YORK IN THE COUNTY OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR IN ANY OTHER COURT (IN ANY JURISDICTION) SELECTED BY AGENT IN ITS SOLE DISCRETION, AND EACH BORROWER AND EACH OTHER LOAN PARTY HEREBY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFOREMENTIONED COURTS. EACH BORROWER AND EACH OTHER LOAN PARTY HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, OR BASED ON UPON 28 U.S.C. § 1404, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING AND ADJUDICATION

OF ANY SUCH ACTION, SUIT OR PROCEEDING IN ANY OF THE AFOREMENTIONED COURTS AND AMENDMENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT. EACH BORROWER AND EACH OTHER LOAN PARTY HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM CONCERNING ANY RIGHTS UNDER THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR UNDER ANY AMENDMENT, WAIVER, AMENDMENT, INSTRUMENT, DOCUMENT OR OTHER AGREEMENT DELIVERED OR WHICH IN THE FUTURE MAY BE DELIVERED IN CONNECTION HEREWITH OR THEREWITH, OR ARISING FROM ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE OTHER TRANSACTION DOCUMENTS, AND AGREES THAT ANY SUCH ACTION, PROCEEDING OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH BORROWER AND EACH OTHER LOAN PARTY HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON ANY BORROWER OR ANY OTHER LOAN PARTY AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY CERTIFIED MAIL (RETURN RECEIPT REQUESTED) DIRECTED TO THE BORROWERS' NOTICE ADDRESS (ON BEHALF OF THE BORROWERS OR SUCH LOAN PARTY) SET FORTH IN SECTION 10.1 HEREOF AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO DEPOSITED IN THE MAIL, OR, AT AGENT'S OPTION, BY SERVICE UPON BORROWERS OR ANY OTHER LOAN PARTY IN ANY OTHER MANNER PROVIDED UNDER THE RULES OF ANY SUCH COURTS.

10.16 Publication. Each Borrower and each other Loan Party consents to the publication by Agent and each Lender of a tombstone, press releases or similar advertising material relating to the financing transactions contemplated by this Agreement, and Agent reserves the right to provide to industry trade organizations information necessary and customary for inclusion in league table measurements.

10.17 Confidentiality. Agent and each Lender agrees not to disclose Confidential Information to any Person without the prior consent of Borrowers (whether received prior to or following the Closing Date); provided, however, that nothing herein contained shall limit any disclosure of the tax structure of the transactions contemplated hereby, or the disclosure of any information (a) to the extent required by applicable law, statute, rule, regulation or judicial process or in connection with the exercise of any right or remedy under any Loan Document, or as may be required in connection with the examination, audit or similar investigation of Agent, any Lender or any of its Affiliates, (b) to examiners, auditors, accountants or any regulatory authority, (c) to the officers, partners, managers, directors, employees, agents and advisors (including independent auditors, lawyers and counsel) of Agent, any Lender or any of their Affiliates on a need-to-know basis who are informed of the confidential nature thereof and directed to keep such information confidential, (d) in connection with any litigation or dispute which relates to this Agreement or any other Loan Document to which Agent or any Lender is a party or is otherwise subject, (e) [reserved], (f) to any assignee or participant (or prospective assignee or participant) which agrees to be bound by this Section 10.17 and (g) to any lender or other funding source of any Lender (each reference to Lender in the foregoing clauses shall be deemed to include the actual and prospective assignees and participants referred to in clause (f) and the lenders and other funding sources referred to in clause (g), as applicable for purposes of this Section 10.17), and provided further, that in no event shall Agent or any Lender be obligated or required to return any materials furnished by or on behalf of Borrowers or any other Loan Party. The obligations of Agent and each Lender under this Section 10.17 shall supersede and replace the obligations of Agent and each Lender under any confidentiality letter or provision in respect of this financing or any other financing previously signed and delivered by Agent or any Lender to Borrowers or any of their respective Affiliates.

10.18 Borrowing Agency Provisions.

(a) Appointment of Borrowing Agent. Each Borrower hereby irrevocably designates Borrowing Agent to be its attorney and agent and in such capacity to (i) borrow, (ii) request advances, (iii) request the issuance of Letters of Credit, (iv) sign and endorse notes, (v) execute and deliver all instruments, documents, applications, security agreements, reimbursement agreements and letter of credit agreements for Letters of Credit and all other certificates, notice, writings and further assurances now or hereafter required hereunder, (vi) make elections regarding interest rates, (vii) give instructions regarding Letters of Credit and agree with the issuer thereof upon any amendment, extension or renewal of any Letter of Credit and (viii) otherwise take action under and in connection with this Agreement and the other Loan Documents, all on behalf of and in the name such Borrower, and hereby authorizes Agent to pay over or credit all Loan proceeds hereunder in accordance with the request of Borrowing Agent.

(b) Co-Borrowing. The handling of this credit facility as a co-borrowing facility with a borrowing agent in the manner set forth in this Agreement is solely as an accommodation to the Borrowers and at their request. Neither Agent nor any Lender shall incur liability to any Borrower as a result thereof. To induce Agent and each Lender to do so and in consideration thereof, each Borrower hereby indemnifies Agent and each Lender and holds Agent and each Lender harmless from and against any and all liabilities, expenses, losses, damages and claims of damage or injury asserted against Agent or any Lender by any Person arising from or incurred by reason of the handling of the financing arrangements of Borrowers as provided herein, reliance by Agent or any Lender on any request or instruction from Borrowing Agent or any other action taken by Agent or any Lender with respect to this Section 10.18 except due to willful misconduct or gross (not mere) negligence by the indemnified party (as determined by a court of competent jurisdiction in a final and non-appealable judgment).

(c) Joint and Several Obligations. All Obligations shall be joint and several, and each Borrower shall make payment upon the maturity of the Obligations by acceleration or otherwise, and such obligation and liability on the part of each Borrower shall in no way be affected by any extensions, renewals and forbearance granted by Agent and Lenders to any Borrower, failure of Agent or any Lender to give any Borrower notice of borrowing or any other notice, any failure of Lender to pursue or preserve its rights against any Borrower, the release by Agent and Lenders of any Collateral now or thereafter acquired from any Borrower, and such agreement by each Borrower to pay upon any notice issued pursuant thereto is unconditional and unaffected by prior recourse by Agent and Lenders to the other Borrowers or any Collateral for such Borrower's Obligations or the lack thereof. Each Borrower waives all suretyship defenses.

10.19 Agent Provisions.

(a) Appointment and Duties.

(i) Each Lender hereby appoints Siena Lending Group LLC (together with any successor Agent pursuant to Section 10.19(j)) as Agent hereunder and authorizes Agent to (i) execute and deliver the Loan Documents and accept delivery thereof on its behalf from any Loan Party, (ii) take such action on its behalf and to exercise all rights, powers and remedies and perform the duties as are expressly delegated to Agent under such Loan Documents and (iii) exercise such powers as are reasonably incidental thereto.

(ii) Without limiting the generality of clause (a)(i) above, Agent shall have the sole and exclusive right and authority (to the exclusion of the Lenders), and are each hereby authorized, to (A) act as the disbursing and collecting agent for the Lenders with respect to all payments and collections arising in connection with the Loan Documents (including in any proceeding described in

Sections 7.1(g) or 7.1(h) or any other bankruptcy, insolvency or similar proceeding), and each Person making any payment in connection with any Loan Document to any Lender is hereby authorized to make such payment to Agent, (B) file and prove claims and file other documents necessary or desirable to allow the claims of the Lenders with respect to any Obligation in any proceeding described in Section 7.1(g) or (h) or any other bankruptcy, insolvency or similar proceeding (but not to vote, consent or otherwise act on behalf of such Person), (C) act as collateral agent for Agent and each Lender for purposes of the perfection of all Liens created by such agreements and all other purposes stated therein, (A) manage, supervise and otherwise deal with the Collateral, (E) take such other action as is necessary or desirable to maintain the perfection and priority of the Liens created or purported to be created by the Loan Documents, (F) except as may be otherwise specified in any Loan Document, exercise all remedies given to Agent and the Lenders with respect to the Loan Parties and/or the Collateral, whether under the Loan Documents, applicable requirements of law or otherwise and (G) execute any amendment, consent or waiver under the Loan Documents on behalf of any Lender that has consented in writing to such amendment, consent or waiver.

(iii) Under the Loan Documents, Agent (A) is acting solely on behalf of the Lenders (except to the limited extent provided in Section 10.9 with respect to the Register), with duties that are entirely administrative in nature, notwithstanding the use of the defined terms "Agent" or the terms "agent" and "collateral agent" and similar terms in any Loan Document to refer to Agent, which terms are used for title purposes only, (B) is not assuming any obligation under any Loan Document other than as expressly set forth therein or any role as agent, fiduciary or trustee of or for any Lender or any other Person and (C) shall have no implied functions, responsibilities, duties, obligations or other liabilities under any Loan Document, and each Lender by accepting the benefits of the Loan Documents hereby waives and agrees not to assert any claim against Agent based on the roles, duties and legal relationships expressly disclaimed in clauses (A) through (C) above.

(b) **Binding Effect**. Each Lender, by accepting the benefits of the Loan Documents, agrees that (i) any action taken by Agent or the Required Lenders (or, if expressly required hereby, a greater proportion of the Lenders) in accordance with the provisions of the Loan Documents, (ii) any action taken by Agent in reliance upon the instructions of Required Lenders (or, where so required, such greater proportion) and (iii) the exercise by Agent or the Required Lenders (or, where so required, such greater proportion) of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders.

(c) **Use of Discretion**.

(i) Agent shall not be required to exercise any discretion or take, or to omit to take, any action, including with respect to enforcement or collection, except any action it is required to take or omit to take (A) under any Loan Document or (B) pursuant to instructions from the Required Lenders (or, where expressly required by the terms of this Agreement, a greater proportion of the Lenders).

(ii) Notwithstanding clause (c)(i) above, Agent shall not be required to take, or to omit to take, any action (A) unless, upon demand, Agent receives an indemnification satisfactory to it from the Lenders (or, to the extent applicable and acceptable to Agent, any other Person) against all liabilities that, by reason of such action or omission, may be imposed on, incurred by or asserted against Agent or any Related Person thereof or (B) that is, in the opinion of Agent or its counsel, contrary to any Loan Document or applicable requirement of law.

(d) **Exclusive Right to Enforce Rights and Remedies** . 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, Agent in accordance with the Loan Documents for the benefit of all the Lenders. In the event of a foreclosure or similar enforcement action by Agent on any of the Collateral pursuant to a public or private sale or other disposition (including pursuant to section 363(k), section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code), Agent (or any Lender, except with respect to a "credit bid" pursuant to section 363(k), section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code) may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and Agent, as agent for and representative of the Lenders (but not any Lender or Lenders in its or their respective individual capacities) shall be entitled, upon instructions from Required Lenders, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such sale or disposition, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by Agent at such sale or other disposition. The foregoing shall not prohibit (i) Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Agent) hereunder and under the other Loan Documents, (ii) Agent or any Lender from exercising setoff rights in accordance with Section 7.3(e) or (iii) subject to the following paragraph, Agent or 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 bankruptcy or other debtor relief law; and *provided*, further, that if at any time there is no Person acting as Agent hereunder and under the other Loan Documents, then the Required Lenders shall have the rights otherwise ascribed to Agent pursuant to Sections 7.2 and 7.3 and in addition to the matters set forth in clauses (ii) and (iii) of the preceding proviso and subject to Section 7.3(e)(ii), 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. In case of the pendency of any bankruptcy or other debtor relief proceeding or any other judicial proceeding relative to any Loan Party, Agent (irrespective of whether the principal of any Loans shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Agent shall have made any demand on any Loan Party) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Revolving Loans, Term Loan and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and Agent allowed in such judicial proceeding and to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same, and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to Agent and, in the event that Agent shall consent to the making of such payments directly to the Lenders, to pay to Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Agent and its agents and counsel, and any other amounts due Agent hereunder.

(e) **Delegation of Rights and Duties.** Agent may, upon any term or condition it specifies, delegate or exercise any of their respective rights, powers and remedies under, and delegate or perform any of its duties or any other action with respect to, any Loan Document by or through any trustee, co-agent, employee, attorney-in-fact and any other Person (including any Lender). Any such Person shall benefit from this Section 10.19 to the extent provided by Agent.

(f) **Reliance and Liability**.

(i) Agent may, without incurring any liability hereunder, (A) rely on the Register to the extent set forth in Section 10.9, (B) consult with any of its Related Persons and, whether or not selected by it, any other advisors, accountants and other experts (including advisors to, and accountants and experts engaged by, any Loan Party) and (C) rely and act upon any document and

information (including those transmitted by Approved Electronic Communication) and any telephone message or conversation, in each case believed by it to be genuine and transmitted, signed or otherwise authenticated by the appropriate parties.

(ii) Agent and its Related Persons shall not be liable for any action taken or omitted to be taken by any of them under or in connection with any Loan Document, and each Lender and Loan Party hereby waive and shall not assert (and Borrower shall cause each other Loan Party not a signatory hereto to waive and agree not to assert) any right, claim or cause of action based thereon, except to the extent of liabilities resulting from the gross negligence or willful misconduct of Agent or, as the case may be, such Related Person (each as determined in a final, non-appealable judgment by a court of competent jurisdiction) in connection with the duties expressly set forth herein. Without limiting the foregoing, Agent: (A) shall not be responsible or otherwise incur liability to any Lender or other Person for any action or omission taken in reliance upon the instructions of the Required Lenders or for the actions or omissions of any of its Related Persons selected with reasonable care (other than employees, officers and directors of Agent, when acting on behalf of Agent); (B) shall not be responsible to any Lender or other Person for the due execution, legality, validity, enforceability, effectiveness, genuineness, sufficiency or value of, or the attachment, perfection or priority of any Lien created or purported to be created under or in connection with, any Loan Document; (C) make no warranty or representation, and shall not be responsible, to any Lender or other Person for any statement, document, information, representation or warranty made or furnished by or on behalf of any Loan Party or any Related Person of any Loan Party in connection with any Loan Document or any transaction contemplated therein or any other document or information with respect to any Loan Party, whether or not transmitted or (except for documents expressly required under any Loan Document to be transmitted to the Lenders) omitted to be transmitted by Agent, including as to completeness, accuracy, scope or adequacy thereof, or for the scope, nature or results of any due diligence performed by Agent in connection with the Loan Documents; and (D) shall not have any duty to ascertain or to inquire as to the performance or observance of any provision of any Loan Document, whether any condition set forth in any Loan Document is satisfied or waived, as to the financial condition of any Loan Party or as to the existence or continuation or possible occurrence or continuation of any Default or Event of Default and shall not be deemed to have notice or knowledge of such occurrence or continuation unless it has received a notice from Borrower or any Lender describing such Default or Event of Default clearly labeled "notice of default" (in which case Agent shall promptly give notice of such receipt to all Lenders). For each of the items set forth in clauses (A) through (D) above, each Lender and the Loan Parties hereby waive and agree not to assert (and Borrower shall cause each other Loan Party not a signatory hereto to waive and agree not to assert) any right, claim or cause of action it might have against Agent based thereon.

(g) **Agent Individually.** Agent and its Affiliates may make loans and other extensions of credit to, acquire Equity Interests of, engage in any kind of business with, any Loan Party or Affiliate thereof as though it were not acting as Agent, and may receive separate fees and other payments therefor. To the extent Agent or any of its Affiliates makes any portion of the Revolving Loans or Term Loan or otherwise becomes a Lender hereunder, it shall have and may exercise the same rights and powers hereunder and shall be subject to the same obligations and liabilities as any other Lender and the terms "Lender" and "Required Lender" and any similar terms shall, except where otherwise expressly provided in any Loan Document, include Agent or such Affiliate, as the case may be, in its individual capacity as Lender or as one of the Required Lenders.

(h) **Lender Credit Decision**.

(i) Each Lender acknowledges that it shall, independently and without reliance upon Agent or any Lender or any of their Related Persons or upon any document (including any

offering and disclosure materials in connection with the syndication of the Loans) solely or in part because such document was transmitted by Agent or any of its Related Persons, conduct its own independent investigation of the financial condition and affairs of each Loan Party and make and continue to make its own credit decisions in connection with entering into, and taking or not taking any action under, any Loan Document or with respect to any transaction contemplated in any Loan Document, in each case based on such documents and information as it shall deem appropriate. Except for documents expressly required by any Loan Document to be transmitted by Agent to the Lenders, Agent shall have no duty or responsibility to provide any Lender with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Loan Party or any Affiliate of any Loan Party that may come in to the possession of Agent or any of its Related Persons.

(ii) If any Lender has elected to abstain from receiving material non-public information ("**MNPI**") concerning the Loan Parties or their Affiliates such Lender acknowledges that, notwithstanding such election, Agent and/or the Loan Parties will, from time to time, make available syndicate-information (which may contain MNPI) as required by the terms of, or in the course of administering the Revolving Loans to the credit contact(s) identified for receipt of such information on such Lender's administrative questionnaire who are able to receive and use all syndicate-level information (which may contain MNPI) in accordance with such Lender's compliance policies and contractual obligations and applicable law, including federal and state securities laws; *provided*, that if such contact is not so identified in such questionnaire, the relevant Lender hereby agrees to promptly (and in any event within one (1) Business Day) provide such a contact to Agent and the Loan Parties upon request therefor by Agent or the Loan Parties. Notwithstanding such Lender's election to abstain from receiving MNPI, such Lender acknowledges that if such Lender chooses to communicate with Agent, it assumes the risk of receiving MNPI concerning the Loan Parties or their Affiliates.

(i) **Expenses; Indemnities; Withholding**.

(i) Each Lender agrees to reimburse Agent and its Related Persons (to the extent not reimbursed by any Loan Party), promptly upon demand, severally and ratably, for any reasonable costs and expenses (including fees, charges and disbursements of financial, legal and other advisors and Other Taxes paid in the name of, or on behalf of, any Loan Party) that may be incurred by Agent or its Related Persons in connection with the preparation, syndication, execution, delivery, administration, modification, consent, waiver or enforcement of, or the taking of any other action (whether through negotiations, through any work-out, bankruptcy, restructuring or other legal or other proceeding (including preparation for and/or response to any subpoena or request for document production relating thereto or otherwise)) in respect of, or legal advice with respect to its rights or responsibilities under, any Loan Document.

(ii) Each Lender further agrees to indemnify, defend and hold Agent and its Related Persons (to the extent not reimbursed by any Loan Party), in each case, severally and ratably, harmless from and against liabilities (including, to the extent not indemnified pursuant to Section 9, Taxes, interests and penalties imposed for not properly withholding or backup withholding on payments made to or for the account of any Lender) that may be imposed on, incurred by or asserted against Agent or its Related Persons in any matter relating to or arising out of, in connection with or as a result of any Loan Document, any related document or any other act, event or transaction related, contemplated in or attendant to any such document, or, in each case, any action taken or omitted to be taken by Agent or its Related Persons under or with respect to any of the foregoing; *provided*, that no Lender shall be liable to Agent or its Related Persons to the extent such liability has resulted primarily from the gross negligence

or willful misconduct of Agent or, as the case may be, such Related Person, as determined by a court of competent jurisdiction in a final non-appealable judgment or order.

(iii) To the extent required by any requirement of law, Agent may withhold from any payment to any Lender under a Loan Document an amount equal to any applicable withholding Tax (including withholding Taxes imposed under Chapters 3 and 4 of Subtitle A of the Code). If the IRS or any other Governmental Authority asserts a claim that Agent did not properly withhold Tax from amounts paid to or for the account of any Lender (because the appropriate certification form was not delivered, was not properly executed, or fails to establish an exemption from, or reduction of, withholding Tax with respect to a particular type of payment, or because such Lender failed to notify Agent or any other Person of a change in circumstances which rendered the exemption from, or reduction of, withholding Tax ineffective, failed to maintain a Register and/or Participant Register or for any other reason), or Agent reasonably determines that it was required to withhold Taxes from a prior payment but failed to do so, such Lender shall promptly indemnify Agent fully for all amounts paid, directly or indirectly, by Agent as Tax or otherwise, including penalties and interest, and together with all expenses incurred by Agent, including legal expenses, allocated internal costs and out-of-pocket expenses. Agent may offset against any payment to any Lender under a Loan Document, any applicable withholding Tax that was required to be withheld from any prior payment to such Lender but which was not so withheld, as well as any other amounts for which Agent or Revolver Agent is entitled to indemnification from such Lender under this Section 10.19(i)(iii).

(j) **Resignation of Agent**.

(i) Agent may resign at any time by delivering notice of such resignation to the Lenders and Borrowers, effective on the date set forth in such notice or, if no such date is set forth therein, upon the date such notice shall be effective in accordance with the terms of this Section 10.19(j)(i). If Agent delivers any such notice, the Required Lenders shall have the right to appoint a successor Agent. If, after thirty (30) days after the date of the retiring Agent's notice of resignation, no successor Agent has been appointed by the Required Lenders that has accepted such appointment, then the retiring Agent may, on behalf of the Lenders, appoint a successor Agent from among the Lenders. Each resignation and appointment under this clause (i) shall be subject to the prior consent of Borrowers which may not be unreasonably withheld but shall not be required during the continuance of an Event of Default.

(ii) Effective immediately upon its resignation, (A) the retiring Agent shall be discharged from its duties and obligations under the Loan Documents, (B) the Lenders shall assume and perform all of the duties of the retiring Agent until a successor Agent shall have accepted a valid appointment hereunder, (C) the retiring Agent and its Related Persons shall no longer have the benefit of any provision of any Loan Document other than with respect to any actions taken or omitted to be taken while such retiring Agent was, or because such retiring Agent had been, validly acting as Agent under the Loan Documents and (D) subject to its rights under Section 10.19(c), the retiring Agent shall take such action as may be reasonably necessary to assign to the successor Agent its rights as Agent under the Loan Documents. Effective immediately upon its acceptance of a valid appointment as Agent a successor Agent shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring Agent under the Loan Documents.

(k) **Release of Collateral or Guarantors.** Each Lender hereby consents to the release and hereby directs Agent to release (or, in the case of clause (ii)(B) below, release or subordinate) the following:

(i) any Subsidiary of Borrower from its guaranty of any Obligation if all of the Equity Interests of such Subsidiary owned by any Loan Party are sold or transferred in a transaction expressly permitted under the Loan Documents (including pursuant to a waiver or consent), to the extent that, after giving effect to such transaction, such Subsidiary would not be required to guaranty any Obligations pursuant to the Loan Documents; and

(ii) any Lien held by Agent for the benefit of the Lenders against (A) any Collateral that is sold, transferred, conveyed or otherwise disposed of by a Loan Party in a transaction expressly permitted by the Loan Documents (including pursuant to a valid waiver or consent), to the extent all Liens required to be granted in such Collateral pursuant to the Loan Documents after giving effect to such transaction have been granted, (B) any property subject to a Lien permitted hereunder in reliance upon clause (c) of the definition of Permitted Indebtedness and clause (a) of the definition of Permitted Liens and (C) all of the Collateral and all Loan Parties, upon (x) the occurrence of the Termination Date and (y) to the extent requested by Agent, receipt by Agent and the Lenders of liability releases from the Loan Parties each in form and substance satisfactory to Agent.

Each Lender hereby directs Agent, and Agent hereby agrees, upon receipt of reasonable advance written notice from Borrower, to execute and deliver or file such documents and to perform other actions reasonably necessary to release the guaranties and Liens when and as directed in this Section 10.19(k).

10.20 Settlements; Payments. The Outstanding Amount may fluctuate from day to day through Agent's disbursement of funds to, and receipt of funds from, Borrowers. In order to minimize the frequency of transfers of funds between Agent and each Lender, repayments of Loans may, at the election of Agent, be settled according to the procedures set forth in this Section 10.20. Notwithstanding the procedures set forth in this Section 10.20, each Lender's obligation to fund its portion of any advances made by Agent to Borrowers will commence on the date such advances are made by Agent. Such payments will be made by such Lender without set-off, counterclaim or reduction of any kind.

(a) Each Settlement Date Agent will advise each Lender by 1:00 p.m. (Eastern time) on a Business Day by telephone or written notice in accordance with this Agreement of the amount of each such Lender's Pro Rata Share of the Outstanding Amount. If payments are necessary to adjust the amount of such Lender's share of the Outstanding Amount to such Lender's Pro Rata Share of the Outstanding Amount, the party from which such payment is due will pay the other party, in same day funds, by wire transfer to the other's account, not later than 1:00 p.m. (Eastern time) on the Business Day immediately following the Settlement Date (provided that if Agent gives such notice at or prior to 1:00 p.m. (Eastern time) on the Settlement Date, such funding shall be made on the Settlement Date).

(b) On the first Business Day of each month (each, an "*Interest Settlement Date*"), Agent will advise each Lender by written notice in accordance with this Agreement of the amount of interest and fees charged to and collected from Borrowers for the preceding month in respect of the Loans. Provided that such Lender is not then a Defaulting Lender, Agent will pay to such Lender, by wire transfer to such Lender's account (as specified by such Lender in accordance with this Agreement) such Lender's Pro Rata Share of such interest and fees not later than the next Business Day following the Interest Settlement Date.

10.21 Defaulting Lender. If any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) such Defaulting Lender's Revolving Commitment and outstanding Revolving Loans shall be excluded for purposes of calculating the fee payable to Lenders in respect of the Unused Line Fee, and such Defaulting Lender shall not be entitled to receive any Unused Line Fee with respect

to such Defaulting Lender's Revolving Commitment or Revolving Loans (in each case not including any fee in connection with any portion of such Defaulting Lenders Revolving Commitment that has been reallocated to non-Defaulting Lenders pursuant to Section 10.21(d) hereof).

(b) the Revolving Commitments and Loans of such Defaulting Lender shall not be included in determining whether all Lenders, the Required Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 10.5).

(c) in the event a Defaulting Lender has defaulted on its obligation to fund any Revolving Loan, or purchase any participation pursuant to Section 1.5 hereof, until such time as the Default Excess with respect to such Defaulting Lender has been reduced to zero, any prepayments or repayments on account of the Revolving Loans or participations pursuant to Section 1.5, in each case to the extent they would be otherwise be payable to such Defaulting Lender, shall be applied first, to the payment of any amounts owing by such Defaulting Lender to Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Bank or Letter of Credit guarantor/indemnitor hereunder; third, to provide cash collateral in the amount of 103% of the Issuing Bank's (or the Letter of Credit guarantor/indemnitor's, as the case may be) Fronting Exposure with respect to such Defaulting Lender; fourth, as the Borrowers may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Agent; fifth, if so determined by Agent and the Borrowers, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) provide cash collateral in the amount of 103% of the Issuing Bank's (or the Letter of Credit guarantor/indemnitor's, as the case may be) future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement; sixth, to the payment of any amounts owing to the Lenders, the Issuing Bank or the Letter of Credit guarantor/indemnitor as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the Issuing Bank or the Letter of Credit guarantor/indemnitor against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment of a court of competent jurisdiction obtained by the Borrowers against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, that, if (x) such payment is a payment of the principal amount of any Loans or Letter of Credit Balance in respect of which such Defaulting Lender has not fully funded its appropriate share and (y) such Loans or Letter of Credit Balance were made at a time when the conditions set forth in Section 1.6 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and Letter of Credit Balance owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or Letter of Credit Balance owed to, such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 10.21(c) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(d) If any Letter of Credit Balance exists at the time a Lender becomes a Defaulting Lender then:

(i) so long as no Default or Event of Default then exists, all or any part of such Letter of Credit Balance shall be reallocated among the non-Defaulting Lenders in accordance with their respective Pro Rata Shares of the total Revolving Commitments (calculated without regard to such

Defaulting Lender's Revolving Commitments), provided that no Lender's Revolving Exposure shall exceed its Revolving Commitment;

(ii) if the reallocation described in paragraph (i) above cannot, or can only partially, be effected, the Borrowers shall within one (1) Business Day following notice by Agent, cash collateralize such Defaulting Lender's Pro Rata Share of Letter of Credit Balance (after giving effect to any partial reallocation pursuant to paragraph (i) above) for so long as any such Letter of Credit Balance remains are outstanding;

(iii) if the Borrowers cash collateralize any portion of such Defaulting Lender's Pro Rata Share of the Letter of Credit Balance pursuant to this Section 10.21(d), the Borrowers shall not be required to pay any Letter of Credit Fees to such Defaulting Lender with respect to the portion of such Defaulting Lender's Pro Rata Share of the Letter of Credit Balance which have been cash collateralized (and the Defaulting Lender shall not be entitled to receive any such fees);

(iv) if the Defaulting Lender's Pro Rata Share of the Letter of Credit Balance is reallocated pursuant to this Section 10.21(d), then the Letter of Credit Fees payable to the non-Defaulting Lenders shall be adjusted accordingly; and

(v) if any Defaulting Lender's Pro Rata Share of the Letter of Credit Balance is not cash collateralized or reallocated pursuant to this Section 10.21(d), then without prejudice to any rights or remedies of the applicable Letter of Credit guarantor/indemnitor or Issuing Bank hereunder, all Letter of Credit Fees payable hereunder with respect to such Defaulting Lender's Pro Rata Share of the Letter of Credit Balance shall be payable to the Issuing Bank or if applicable, the Letter of Credit guarantor/indemnitor.

(e) So long as any Lender is a Defaulting Lender, no Issuing Bank or Letter of Credit guarantor/indemnitor shall be required to issue, extend or increase any Letter of Credit or Letter of Credit Guaranty, in each case unless it is reasonably satisfied that the related exposure will be 100% covered by the Revolving Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Borrowers, and participating interests in any such newly issued, extended or increased Letter of Credit or Letter of Credit guaranty/indemnification shall be allocated among non-Defaulting Lenders in a manner consistent with Section 10.21(d) (and Defaulting Lenders shall not participate therein).

(f) No reallocation permitted pursuant to Section 10.21(d) shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a non-Defaulting Lender as a result of such non-Defaulting Lender's increased exposure following such reallocation.

(g) In the event that Agent, the Issuing Bank and the Letter of Credit guarantor/indemnitor each agrees in writing that a Defaulting Lender has adequately remedied all matters which caused such Lender to become a Defaulting Lender, then the Pro Rata Shares of the Letter of Credit Balance of the Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Commitment and on such date such Lender shall purchase at par such of the Revolving Loans of the other Lenders or participations in the Revolving Loans as Agent shall determine may be necessary in order for such Lender to hold such Revolving Loans or participations in accordance with its Pro Rata Share; provided, that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from

Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

(h) The rights and remedies with respect to a Defaulting Lender under this Section 10.21 are in addition to any other rights and remedies which the Borrowers, Agent, the Issuing Bank or the Letter of Credit guarantor/indemnitor, as applicable, may have against such Defaulting Lender.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Borrowers, each other Loan Party signatory hereto, Agent and Lenders have signed this Agreement as of the date first set forth above.

Borrowers:

IMEDIA BRANDS, INC.

By: _____
Name:
Its:

VALUEVISION RETAIL, INC.

By: _____
Name:
Its:

FL ACQUISITION COMPANY

By: _____
Name:
Its:

PW ACQUISITION COMPANY, LLC

By: _____
Name:
Its:

VALUEVISION MEDIA ACQUISITIONS, INC.

By: _____
Name:
Its:

TCO, LLC

By: _____
Name:
Its:

JWH ACQUISITION COMPANY Agent:

Agent:

SIENA LENDING GROUP LLC

By: _____
Name: Steve Sanicola
Its: Authorized Signatory

By: _____
Name: Anthony Lavinio
Its: Authorized Signatory

Lenders:

SIENA LENDING GROUP LLC

By: _____
Name: Steve Sanicola
Its: Authorized Signatory

By: _____
Name:Anthony Lavinio
Its: Authorized Signatory

By: _____
Name:
Its:

NORWELL TELEVISION, LLC

By: _____
Name:
Its:

867 GRAND AVENUE LLC

By: _____
Name:
Its:

VALUEVISION INTERACTIVE, INC.

By: _____
Name:
Its:

Guarantors:

VVI FULFILLMENT CENTER, INC.

By: _____
Name:
Its:

EP PROPERTIES, LLC

By: _____
Name:
Its:

PORTAL ACQUISITION COMPANY

By: _____
Name:
Its:

IMEDIA&123TV HOLDING GmbH

By:
Name:
Its:

Information Certificates

[See attached]

[Information Certificates]

Schedule A

Description of Certain Terms

1. Loan Limits for Revolving Loans and Letters of Credit:

(a)	Maximum Revolving Facility Amount:		$80,000,000
(b)	Advance Rates:		
	(i)	Accounts Advance Rate:	85% of Eligible Consumer Accounts; *provided*, that if Dilution exceeds 5%, Agent may at its option establish a Reserve on account of such excess (the "***Dilution Reserve***").
	(ii)	Inventory Advance Rate:	85% of the NOLV Factor of the Eligible Inventory, Eligible In-Transit Inventory or Eligible Slow Moving Inventory, as applicable
(c)	In-transit Credit Card Receipts Sublimit:		$3,500,000
(d)	Sublimits:		
	(i)	Sublimit on advances against the aggregate amount of Eligible Inventory, Eligible In-Transit Inventory and Eligible Slow Moving Inventory:	$40,000,000
	(ii)	Sublimit on advances against Eligible In-Transit Inventory:	$2,500,000
	(iii)	Sublimit on advances against all Eligible Slow Moving Inventory:	$2,000,000
(e)	Letter of Credit Sublimit:		$5,000,000

3.	Interest Rate for Revolving Loans:	From the Closing Date through March 31, 2022, 4.50% per annum in excess of the LIBOR Rate (or From April 1, 2022 and thereafter, 4.61448% per annum in excess of Term SOFR Or if the Base Rate is then in effect pursuant to Section 2.6 or pursuant to the definition of LIBOR Rate, from the Closing Date, until adjusted pursuant to the terms of Section 2.1, 1.75% per annum in excess of the Base Rate).

4.	Maximum Days re: Eligible Consumer Accounts:		
	(a)	Maximum days after original invoice date for Eligible Consumer Accounts:	One hundred eighty (180) days
	(b)	Maximum days after original invoice due date for Eligible Consumer Accounts:	Seven (7) days
5.	Agent's Bank:		Wells Fargo Bank, National Association and its affiliates Siena Lending Group Depository Account Wells Fargo Bank NA Account # 4986311751 ABA Routing # 121 000 248 Reference: iMedia Brands, Inc. (which bank may be changed from time to time by notice from Agent to Borrowers)
6.	Scheduled Maturity Date:		July 30, 2024
7.	Revolving Loan Commitment of Lenders:		Siena Lending Group LLC-: $80,000,000

Schedule B

Definitions

Unless otherwise defined herein, the following terms are used herein as defined in the UCC: Account, Account Debtor, Chattel Paper, Commercial Tort Claim, Deposit Account, Document, Electronic Chattel Paper, Equipment, Farm Product, Fixture, General Intangible, Goods, Health-Care-Insurance Receivable, Instruments, Inventory, Letter-of-Credit Rights, Proceeds, Supporting Obligations and Tangible Chattel Paper. As used in this Agreement, the following terms have the following meanings:

"***Accounts Advance Rate***" means the percentages set forth in Section 1(b)(i) of Schedule A.

"***Additional Documents***" has the meaning set forth in Section 3.3(b).

"***Advance Rates***" means, collectively, the Accounts Advance Rate and the Inventory Advance Rate.

"***Affiliate***" means, with respect to any Person, any other Person in control of, controlled by, or under common control with the first Person, and any other Person who has a substantial interest, direct or indirect, in the first Person or any of its Affiliates, including, any officer or director of the first Person or any of its Affiliates; ***provided, however***, that neither Agent, any Lender nor any of its Affiliates shall be deemed an "Affiliate" of any Borrower for any purposes of this Agreement. For the purpose of this definition, a "substantial interest" shall mean the direct or indirect legal or beneficial ownership of more than ten (10%) percent of any class of equity or similar interest.

"***Agent***" has the meaning set forth in the heading to this Agreement.

"***Agreement***" and "***this Agreement***" have the meanings set forth in the heading to this Agreement.

"***Approved Electronic Communication***" means each notice, demand, communication, information, document and other material transmitted, posted or otherwise made or communicated by e-mail, facsimile, Passport 6.0, or any other equivalent electronic service, whether owned, operated or hosted by Agent, any of its Affiliates or any other Person, that any party is obligated to, or otherwise chooses to, provide to Agent pursuant to this Agreement or any other Loan Document, including any financial statement, financial and other report, notice, request, certificate and other information or material; ***provided*** that Approved Electronic Communications shall not include any notice, demand, communication, information, document or other material that Agent specifically instructs a Person to deliver in physical form.

"***Authorized Officer***" means the chief executive officer, chief financial officer or treasurer of any Borrower and each other Person designated from time to time by any of the foregoing officers of any Borrower in a notice to Agent, which designation shall continue in force and effect until terminated in a notice to Agent from any of the foregoing officers of any Borrower.

"***Approved Fund***" means, with respect to any Lender, any Person (other than a natural Person) that (i)(a) 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 business or (b) temporarily warehouses loans for any Lender or any Person described in clause (a) above and (i) is advised or

managed by (a) such Lender, (b) any Affiliate of such Lender or (c) any Person (other than an individual) or any Affiliate of any Person (other than an individual) that administers or manages such Lender.

"*Assignment and Acceptance*" means an Assignment and Acceptance Agreement substantially in the form of Exhibit G to the Agreement.

"***Average FICO Score***" shall mean, on any date of determination, the average FICO Score of all Persons participating in the Value Pay Plan for whom a FICO score has been obtained, as determined by Borrowing Agent in accordance with its practices in the ordinary course of business in effect on the Closing Date.

"***Bankruptcy Code***" means the United States Bankruptcy Code (11 U.S.C. § 101 etseq.).

"***Base Rate***" means, for any day, the greatest of (a) the per annum rate of interest which is identified as the "Prime Rate" and normally published in the Money Rates section of The Wall Street Journal (or, if such rate ceases to be so published, as quoted from such other generally available and recognizable source as Agent may select) (the "***Published Prime Rate***") (and, if any such published rate is below zero, then the rate determined pursuant to this clause (a) shall be deemed to be zero), (b) the sum of the Federal Funds Rate plus 0.5%, (c) from the Closing Date through March 31, 2022, the most recently used LIBOR Rate, plus 2.75% and from April 1, 2022 and thereafter, the most recently used Term SOFR, plus 2.86488 % and (d) 3.25% per annum. Any change in the Base Rate due to a change in such Published Prime Rate or the Federal Funds Rate shall be effective on the effective date of such change in such Published Prime Rate or the Federal Funds Rate. Notwithstanding the foregoing, in no event shall the interest rate for any Loan based on the Base Rate be less than the interest rate that would have applied to such Loan if the interest rate for such Loan was based on the LIBOR Rate or Term SOFR, as applicable.

"***Bond Indebtedness***" means an indenture or other debt instrument issued by one or more borrowers in favor of certain debtholders signatory thereto dated on or about October 31, 2021 pursuant to which such Borrowers will issue bonds in an aggregate principal amount of approximately
$80,000,000.[1]

"***Borrowers***" has the meaning set forth in the Preamble to this Agreement.

"***Borrowing Agent***" means iMedia Brands, Inc., acting for itself in its capacity as a Borrower or in its capacity as agent for all of the Borrowers (including itself).

"***Borrowing Base***" means, as of any date of determination, the Dollar Equivalent Amount as of such date of determination of: (a) the aggregate amount of Eligible Consumer Accounts ***multiplied by*** the Accounts Advance Rate; ***plus*** (b) the aggregate amount of In-transit Credit Card Receipts ***multiplied by*** the Accounts Advance Rate (but in no event to exceed the In-transit Credit Card Receipts Sublimit); ***plus*** (c) the Net Orderly Liquidation Value of the applicable Eligible Inventory multiplied by the Inventory Advance Rate, but not to exceed the sublimit applicable to all Inventory, ***plus*** (d) the Net Orderly Liquidation Value of the applicable Eligible Slow Moving Inventory multiplied by the Inventory Advance Rate, but not to exceed the sublimit applicable to Eligible Slow Moving Inventory ***plus*** (e) the Net Orderly Liquidation Value of Eligible In-Transit Inventory multiplied by the Inventory Advance Rate, but not to exceed the sublimit applicable to

[1] Added by Amendment No. 1 dated September 20, 2021.

Eligible In-Transit Inventory ***minus*** (f) all Reserves which Agent has established pursuant to Section 1.2 .

"***Business Day***" means a day other than a Saturday or Sunday or any other day on which Agent or banks in New York are authorized to close.

"***Capitalized Lease***" means any lease which is or should be reflected on the balance sheet of the lessee as a finance lease thereunder in accordance with GAAP.

"***Change in Law***" means the occurrence after the date of this Agreement of: (a) the adoption or effectiveness of any law, rule, regulation, judicial ruling, judgment or treaty, (b) any change in any law, rule, regulation, judicial ruling, judgment or treaty or in the administration, interpretation, implementation or application by any Governmental Authority of any law, rule, regulation, guideline or treaty, (c) any new, or adjustment to, requirements prescribed by the Board of Governors for "Eurocurrency Liabilities" (as defined in Regulation D of the Board of Governors), requirements imposed by the Federal Deposit Insurance Corporation, or similar requirements imposed by any domestic or foreign governmental authority or resulting from compliance by Agent or any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority and related in any manner to SOFR, the Term SOFR Reference Rate or Term SOFR, or (d) the making or issuance by any Governmental Authority of any request, rule, guideline or directive, whether or not having the force of law; provided, that notwithstanding anything in this Agreement 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 concerning capital adequacy 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 shall, in each case, be deemed to be a "***Change in Law***," regardless of the date enacted, adopted or issued.

"***Change of Control***" shall mean (a) 100% of the Equity Interests of any Borrower (other than iMedia or TCO) is no longer owned or controlled by iMedia (including for the purposes of the calculation of percentage ownership, any Equity Interests into which any Equity Interests of any Borrower held by iMedia are convertible or for which any such Equity Interests of any Borrower or of any other Person may be exchanged and any Equity Interests issuable to iMedia upon exercise of any warrants, options or similar rights which may at the time of calculation be held by iMedia), (b) (i) any person or group of persons (within the meaning of Section 13(d) or 14(a) of the Exchange Act), other than an existing shareholders as of the date hereof who individually or as a group own at least 10% of the voting Equity Interest of iMedia, shall have acquired beneficial ownership (within the meaning of Rule 13d-3 promulgated by the SEC under the Exchange Act) of 35% or more of the voting Equity Interest of iMedia; or (ii) from and after the date hereof, individuals who on the date hereof constitute the Board of Directors of iMedia (together with any new directors whose election by such Board of Directors or whose nomination for election by the shareholders of iMedia was approved by a vote of a majority of the directors then still in office who were either directors on the date hereof or whose election or nomination for election was previously approved) cease for any reason to constitute a majority of the board of directors of iMedia then in office; or (c) any merger, consolidation or sale of substantially all of the property or assets of any Borrower or any direct or indirect Subsidiary of any Borrower except as permitted by Section 5.25(a); provided however it shall not be deemed to be a Change of Change under (A) section (b)(i) of this definition, if any person or group of persons (within the meaning of Section 13(d) or 14(a) of the Exchange Act) acquires beneficial ownership of (within the meaning of Rule 13d-3 promulgated by the SEC under the Exchange Act) 35% or more of the voting Equity Interest of iMedia and Agent provides prior written consent, which consent shall not be unreasonably withheld or delayed or (B) section (c) of this definition, if any merger, consolidations or sale of all or of the property or assets of any Borrower or any direct or indirect Subsidiary of any

Borrower, occurs and following such transaction, the Borrower is either combined with iMedia or remains a wholly-owned direct or indirect subsidiary of iMedia or, in the case of TCO, at least 50% of the voting equity interests are owned directly or indirectly by iMedia.

"***Closing Date***" means July 30, 2021.

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Collateral***" means all property and interests in property in or upon which a security interest, mortgage, pledge or other Lien is granted pursuant to this Agreement or the other Loan Documents, including all of the property of each Loan Party described in Section 3.1.

"*Collateral Pledge Agreements*" means (a) that certain Collateral Pledge Agreement dated as of the date hereof by Borrowers as pledgors and Agent, as pledgee and (b) any other pledge agreement made by a pledgor in favor of Agent from time to time after the Closing Date.

"***Collections***" has the meaning set forth in Section 4.1.

"***Commitments***" means, the Revolving Loan Commitment.

"***Compliance Certificate***" means a compliance certificate substantially in the form of Exhibit F hereto to be signed by an Authorized Officer of Borrowing Agent.

"***Confidential Information***" means confidential information that any Loan Party or any of their subsidiaries and Affiliates furnishes to Agent or any Lender pursuant to any Loan Document concerning any Loan Party's business, or its subsidiaries and Affiliates, but does not include any such information once such information has become, or if such information is, generally available to the public or available to Agent or any Lender (or other applicable Person) from a source other than the Loan Parties or their Affiliates which is not, to Agent's or any Lender's knowledge, bound by any confidentiality agreement in respect thereof.

"***Conforming Changes***" means any technical, administrative or operational changes (including, without limitation, changes to the definition of "U.S. Government Securities Business Day," the definition of "Interest Period" or any similar or analogous definition, the timing and frequency of determining rates and making payments of interest, prepayment provisions and other technical, administrative or operational matters) that Agent decides may be appropriate to reflect the adoption and implementation of a Benchmark Replacement or to permit the use and administration of Term SOFR or a Benchmark Replacement by Agent in a manner substantially consistent with market practice.

"***Consolidated Adjusted EBITDA***" means, for the applicable period, for the Loan Parties on a consolidated basis, such Loan Parties' consolidated adjusted EBITDA for such period as publicly reported by the Borrowers in their financial statements for such period; ***provided, however*** that solely for purposes of calculating Consolidated Adjusted EBITDA of iMedia&123tv Holding and Portal, respectively, the Acquisition (as defined in the First Amendment and Consent) and the Portal Acquisition shall each be deemed to have occurred as of the first day of the applicable period of measurement, respectively, and ***provided further***, that (i) for the one fiscal quarter ending on or about (i) the last day of the fiscal quarter in which the Acquisition or the Portal Acquisition is consummated, respectively (the "***Acquisition Quarter***"), Consolidated Adjusted EBITDA of such Loan Party shall be deemed to equal the Consolidated Adjusted EBITDA of such Loan Party, for the Acquisition Quarter, multiplied by a factor of four (4); (ii) for the last day of theAcquisition Quarter and the one fiscal quarter ending immediately after the Acquisition Quarter, Consolidated Adjusted EBITDA of such Loan Party for such period shall be deemed to equal the actual Consolidated

Adjusted EBITDA of such Loan Party for the two fiscal quarters then ended, multiplied by a factor of two (2); and (iii) the last day of the second fiscal quarterAcquisition Quarter and the two fiscal quarters ending immediately after the Acquisition Quarter, Consolidated Adjusted EBITDA of such Loan Party for such period shall be deemed to equal the actual Consolidated Adjusted EBITDA of such Loan Party for the three fiscal quarters then ended, multiplied by a factor of one and one-third (1 1/3).[2]

"***Customer***" shall mean and include the account debtor with respect to any Account and/or the prospective purchaser of goods, services or both with respect to any contract or contract right, and/or any party who enters into or proposes to enter into any contract or other arrangement with any Borrower, pursuant to which such Borrower is to deliver any personal property or perform any services.

"***Default***" means any event which with notice or passage of time, or both, would constitute an Event of Default.

"Default Excess" means with respect to any Defaulting Lender, the excess, if any, of such Defaulting Lender's Pro Rata Share of the aggregate outstanding principal amount of all Revolving Loans (calculated as if all Defaulting Lenders (other than such Defaulting Lender) had funded their respective Pro Rata Shares of all Revolving Loans) over the aggregate outstanding principal amount of all Revolving Loans of such Defaulting Lender.

"***Default Rate***" has the meaning set forth in Section 2.1.

"***Defaulting Lender***" means, subject to Section 10.21(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies Agent and Borrowing Agent in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to Agent, or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, (b) has notified Borrowing Agent and Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by Agent or Borrowing Agent, to confirm in writing to Agent and Borrowing Agent that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by Agent and Borrowing Agent), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender

[2] Amended by Amendment No. 1 dated September 20, 2021.

(or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 10.21(b)) upon delivery of written notice of such determination to Borrowing Agent, and each other Lender.

"***Dilution***" means, as of any date of determination, a percentage, based upon the experience of the immediately prior twelve (12) months, that is the result of dividing the Dollar Equivalent Amount of (a) bad debt write-downs, discounts, advertising allowances, credits, or other dilutive items with respect to Borrowers' Accounts during such period, by (b) Borrowers' billings with respect to Accounts during such period.

"***Dilution Reserve***" has the meaning set forth in Section 1(b)(i) of Schedule A.

"***Dollar Equivalent Amount***" means, at any time, (a) as to any amount denominated in Dollars, the amount hereof at such time, and (b) as to any amount denominated in a currency other than Dollars, the equivalent amount in Dollars as determined by Agent at such time that such amount could be converted into Dollars by Agent according to prevailing exchange rates selected by Agent.

"***Dollars***" or "***$***" means United States Dollars, lawful currency for the payment of public and private debts.

"***Domestic Subsidiary***" means any Subsidiary organized under the laws of any political subdivision of the United States of America.

"***E-Signature***" means the process of attaching to or logically associating with an Approved Electronic Communication an electronic symbol, encryption, digital signature or process (including the name or an abbreviation of the name of the party transmitting the Approved Electronic Communication) with the intent to sign, authenticate or accept such Approved Electronic Communication.

"*Early Payment/Termination Premium*" has the meaning set forth in the Fee Letter.

"***Eligible Consumer Account***" shall mean and include with respect to each Borrower, each Account of such Borrower arising in the ordinary course of business under the Value Pay Plan and which Agent, in its Permitted Discretion, shall deem to be an Eligible Consumer Account. An Account shall not be deemed eligible unless such Account is subject to Agent's first priority perfected security interest and no other Lien (other than Permitted Liens), and is evidenced by an invoice or other documentary evidence satisfactory to Agent. In addition, no Account shall be an Eligible Consumer Account if:

(a) the Customer fails to make any payment due under the Value Pay Plan within seven (7) days after the due date;

(b) any covenant, representation or warranty contained in this Agreement with respect to such Account has been breached;

(c) the Customer shall (i) apply for, suffer, or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property or call a meeting of its creditors, (ii) admit in writing its inability, or be generally unable, to pay its debts as they become due or cease operations of its present business, (iii) make a general assignment for the benefit of creditors, (iv) commence a voluntary case or proceeding under any state or federal bankruptcy laws (as now or hereafter in effect), (v) be adjudicated a bankrupt or insolvent, (vi)

file a petition seeking to take advantage of any other law providing for the relief of debtors or (vii) acquiesce to, or fail to have dismissed, any petition which is filed against it in any involuntary case under such bankruptcy laws;

(d) the sale is to a Customer outside the United States of America or Canada;

(e) the Accounts of the Customer exceed a credit limit determined by Agent, (and which Agent has notified Borrowers in writing), in its Permitted Discretion, to the extent such Account exceeds such limit;

(f) Agent believes, in its Permitted Discretion, that such Account will likely not be paid by reason of the Customer's financial inability to pay;

(g) the Account is subject to any offset, deduction, defense, dispute, or counterclaim (to the extent of such offset, deduction, defense or counterclaim);

(h) any return, rejection or repossession of the merchandise sold to create such Account has occurred;

(i) such Account is not payable to a Borrower; or

(j) such Account is not otherwise satisfactory to Agent as determined in good faith by Agent in the exercise of its Permitted Discretion.

"***Eligible In-Transit Inventory***" means all Inventory which satisfies the general criteria set forth below and which is otherwise acceptable to Agent in its sole discretion (*provided*, that Agent may, in its sole discretion, change the general criteria for acceptability of Eligible In-Transit Inventory and shall notify Borrowers of such change promptly thereafter) net of (a) accrued unpaid fees and expenses due by Borrowers to any customs broker, freight forwarder or carrier and (b) $1,000 per container (or such other amount determined by Agent in its sole discretion) for the cost to transport such Inventory to one of Borrowers' store locations:

(i) for which Borrowers have retained title or for which title has passed to Borrowers;

(ii) which is insured to the full value thereof to the satisfaction of Agent;

(iii) for which any Borrower or Agent shall have in its possession (i) true and correct copies of all applicable negotiable bills of lading or freight forwarder cargo receipt properly endorsed or (ii) all applicable non-negotiable bills of lading in Agent's name; and

(iv) applicable commencing on the date that is forty-five (45) days after the Closing only, in respect of which Agent shall have received, if requested, a duly executed collateral access agreement from the applicable customs broker, freight forwarder or carrier for such Inventory, in form and substance satisfactory to Agent.

Eligible In-Transit Inventory shall not include Inventory being acquired pursuant to a trade Letter of Credit to the extent such trade Letter of Credit for the specific Inventory being claimed as collateral remains outstanding.

"***Eligible Inventory***" shall mean and include Inventory, excluding raw materials and work in process, with respect to each Borrower, which is not unmerchantable. Inventory shall not be deemed eligible unless such Inventory is subject to a perfected, first priority security interest in favor

of Agent and no other Lien (other than a Permitted Liens). In addition, Inventory shall not be Eligible Inventory if it (i) does not conform to all standards imposed by any Governmental Authority which has regulatory authority over such goods or the use or sale thereof, (ii) is in transit, (iii) is located outside the United States or at a location that is not otherwise in compliance with this Agreement, (iv) constitutes Consigned Inventory, (v) is the subject of an Intellectual Property claim that in Agent's judgment would impair Agent's ability to realize on the Collateral or the value thereof; (vi) is subject to a License Agreement or other agreement that materially limits Agent's right to sell or otherwise dispose of such Inventory, unless Agent is a party to a Licensor/Agent Agreement with the Licensor under such License Agreement; or (vii) is situated at a location not owned by a Borrower unless the owner or occupier of such location has executed in favor of Agent a landlord or similar waiver.

"***Eligible Slow Moving Inventory***" shall mean and include Slow Moving Inventory that would otherwise constitute Eligible Inventory if not for the fact that such Inventory is Slow Moving Inventory.

"***Equity Interests***" means, with respect to a Person, all of the shares of stock, warrants, interests, participations, or other equivalents (regardless of how designated) of or in such Person, whether voting or nonvoting, including capital stock (or other ownership or profit interests or units), preferred stock, or any other "equity security" (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the Securities Exchange Commission under the Securities Exchange Act of 1934, as in effect from time to time).

"***ERISA***" means the Employee Retirement Income Security Act of 1974 and all rules, regulations and orders promulgated thereunder.

"***ERISA Affiliate***" means any trade or business (whether or not incorporated) under common control with a Loan Party 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 and section 302 of ERISA).

"***ERISA Event***" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of any Loan Party 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 a Loan Party 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; or (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 a Loan Party or any ERISA Affiliate.

"***Event of Default***" has the meaning set forth in Section 7.1.

"***Excess Availability***" means the amount, as determined by Agent, calculated at any date, equal to the difference of (a) the lesser of (x) the Maximum Revolving Facility Amount and (y) the Borrowing Base, minus (b) the outstanding balance of all Revolving Loans and the Letter of

Credit Balance; ***provided*** that if any of the Loan Limits for Revolving Loans is exceeded as of the date of calculation, then Excess Availability shall be zero.

"***Exchange Act***" shall mean the Securities Exchange Act of 1934, as amended.

"***Excluded Collateral***" has the meaning set forth in Section 3.1.

"***Excluded Equity***" means the Equity Interests of VVI Fulfillment and EP Properties held by iMedia,

"***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 Agent, its lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof), or (ii) that are Other Connection Taxes; (b) United States federal withholding Taxes imposed on amounts payable to or for the account of such Recipient with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which such Recipient acquires such interest in the Loan or Commitment or acquires such participation, except in each case to the extent that, pursuant to Section 9.1 amounts with respect to such Taxes were payable either to such Recipient's assignor (or Agent granting such participation) immediately before such assignment or grant of participation; (c) Taxes attributable to such Recipient's failure to comply with Section 9.1(e); and (d) any withholding Taxes imposed pursuant to FATCA.

"***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) and any current or future regulations or official interpretations thereof.

"***Federal Reserve Business Day***" means any day that is not a Saturday, Sunday or other day on which the Federal Reserve Bank of New York is closed.

"*Fee Letter*" means that certain Fee Letter, dated as of the date hereof, between Borrowers and Agent.

"***First Amendment and Consent***" means that certain First Amendment and Consent to the Loan Agreement dated as of September 20, 2021 by and among Agent, Lenders and the Loan Parties.[3]

"***First Amendment Effective Date***" means September 20, 2021.[4]

"***Fiscal Year***" means the fiscal year of Borrowers which ends on the last Saturday in January of each year.

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

[3] Added by Amendment No. 1 dated September 20, 2021.

[4] Added by Amendment No. 1 dated September 20, 2021.

"***Fronting Exposure***" means, at any time there is a Defaulting Lender, with respect to the Issuing Bank (or the Letter of Credit guarantor/indemnitor, as the case may be), such Defaulting Lender's Pro Rata Share of the outstanding Letter of Credit Balance other than the Letter of Credit Balance as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or cash collateralized in accordance with the terms hereof.

"***GAAP***" means generally accepted accounting principles 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 United States accounting profession), which are applicable to the circumstances as of the date of determination, in any case consistently applied.

"***Governmental Authority***" means the government of the United States of America 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 any supra-national bodies such as the European Union or the European Central Bank).

"***Guaranty***", "***Guaranteed***" or to "***Guarantee***", as applied to any Indebtedness, liability or other obligation, means (a) a guaranty, directly or indirectly, in any manner, including by way of endorsement (other than endorsements of negotiable instruments for collection in the ordinary course of business), of any part or all of such Indebtedness, liability or obligation, and (b) an agreement, contingent or otherwise, and whether or not constituting a guaranty, assuring, or intended to assure, the payment or performance (or payment of damages in the event of non-performance) of any part or all of such Indebtedness, liability or obligation by any means (including, the purchase of securities or obligations, the purchase or sale of property or services, or the supplying of funds).

"***Guarantors***" has the meaning set forth in the heading to this Agreement.

"***iMedia&123tv Holding***" means iMedia&123tv Holding GmbH, a limited liability company organized under the laws of Germany with its corporate seat in Munich/Germany and registered with the commercial register of the local court of Munich under HRB 267579.[5]

"***In-Transit Credit Card Receipts***" shall mean the obligations owing by a credit card processor to the Borrowers on account of charges of a Customer prior to the credit card settlement date.

"***In-Transit Credit Card Receipts Sublimit***" means the amount set forth in Section 1(c) of Schedule A.

"***Indebtedness***" means (without duplication), with respect to any Person, (a) all obligations or liabilities, contingent or otherwise, for borrowed money, (b) all obligations represented by promissory notes, bonds, debentures or the like, or on which interest charges are customarily paid, (c) all liabilities secured by any Lien on property owned or acquired, whether or not such liability shall have been assumed, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property or assets purchased by such Person, (e) all obligations of such Person issued or assumed as the deferred purchase price of property or services (excluding trade

[5] Added by Amendment No. 1 dated September 20, 2021.

payables which are not ninety (90) days past the agreed upon payment terms incurred in the ordinary course of business, but excluding the maximum potential amount payable under any earn-out or similar obligations until such time as the applicable earn-out targets are met and then only relating to the amount that actually becomes due and payable), (f) all Capitalized Leases of such Person, (g) all obligations (contingent or otherwise) of such Person as an account party or applicant in respect of letters of credit and/or bankers' acceptances, or in respect of financial or other hedging obligations, (h) all Equity Interests issued by such Person subject to repurchase or redemption at any time on or prior to the Scheduled Maturity Date, other than voluntary repurchases or redemptions that are at the sole option of such Person, (i) all principal outstanding under any synthetic lease, off-balance sheet loan or similar financing product, and (j) all Guarantees, endorsements (other than for collection in the ordinary course of business) and other contingent obligations in respect of the obligations of others.

"***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 any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

*"**Ineligible Assignee**"* means (a) any natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person), (b) any Loan Party or any of its Affiliates or (c) any Defaulting Lender or any Affiliate of any Defaulting Lender or any Person who, upon becoming a Lender hereunder, would constitute a Defaulting Lender or an Affiliate thereof.

"***Information Certificates***" means (a) as of the Closing Date, the Information Certificates annexed hereto and (b) as of any date after the Closing Date, the Information Certificates described in the immediately foregoing clause (a) as most recently updated and delivered to Agent, including any updates provided pursuant to Section 5.29.

"***Intellectual Property***" means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including copyrights, copyright licenses, patents, patent licenses, trademarks and trademark licenses, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"*Intercreditor Agreement*" means that certain Intercreditor Agreement dated as of the Closing Date between Agent and Term Debt Agent and acknowledged by Borrowers.

"***Interest Expense***" means, for the applicable period, for the Loan Parties on a consolidated basis, total interest expense (including interest attributable to Capitalized Leases in accordance with GAAP) and fees with respect to outstanding Indebtedness.

"***Interest Period***" means a period of one (1) month during which the entire outstanding principal balance of this Agreement bears interest determined in relation to Term SOFR, with the understanding that:

(i) the initial Interest Period shall commence on April 1, 2022, subject to the provisions of (iii) below;

(ii) thereafter each Interest Period shall commence automatically, without notice to or consent from Borrower, on the first day of each month and shall continue up to, but shall not include, the first day of the immediately following month;

(iii) if any Interest Period is scheduled to commence on a day that is not a Federal Reserve Business Day, then such Interest Period shall commence on the next succeeding Federal Reserve Business Day (and the preceding Interest Period shall continue up to, but shall not include, the first day of such Interest Period), unless the result of such extension would be to cause such Interest Period to begin in the next calendar month, in which event such Interest Period shall commence on the immediately preceding Federal Reserve Business Day (and the preceding Interest Period shall continue up to, but shall not include, the first day of such Interest Period); and

(iv) if, on the first day of the last Interest Period applicable hereto the remaining term of this Agreement is less than one (1) month, said Interest Period shall be in effect only until the scheduled Maturity Date hereof.

"***In-Transit Credit Card Receipts***" shall mean the obligations owing by a credit card processor to the Borrowers on account of charges of a Customer prior to the credit card settlement date.

"***Inventory Advance Rate***" means the percentage(s) set forth in Section 1(b)(ii) of Schedule A.

"***Inventory Sublimit***" means the amount(s) set forth in Section 1(d) of Schedule A. " ***Investment Property***" means the collective reference to (a) all "investment property" as such term is defined in Section 9-102 of the UCC, (b) all "financial assets" as such term is defined in Section 8-102(a)(9) of the UCC, and (c) whether or not constituting "investment property" as so defined, all Pledged Equity.

"***Issuers***" means the collective reference to each issuer of Investment Property.

"***Judgment Currency***" has the meaning set forth in Section 6.3(b).

"***Lender***" has the meaning set forth in the heading to this Agreement.

"***Lender Documentation Exception***" has the meaning set forth in the Section 9.1(e).

"***Letter of Credit***" has the meaning set forth in Section 1.1.

"***Letter of Credit Balance***" means the sum of (a) the aggregate undrawn face amount of all outstanding Letters of Credit and (b) all interest, fees and costs due or, in Agent's estimation, likely to become due in connection therewith.

"***Letter of Credit Limit***" means the amount set forth in Section 1(e) of Schedule A.

"***Lien***" means any mortgage, deed of trust, pledge, hypothecation, assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement and any other preference, priority, or preferential arrangement in the nature of a security interest of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"***LIBOR Rate***" means the greater of (a) a rate per annum equal to the London interbank offered rate for deposits in Dollars for a period of 30 days as published in The Wall Street

Journal, three Business Days prior to the first day of each calendar month and (b) 0.50% per annum. If The Wall Street Journal does not publish the LIBOR Rate or Agent determines in good faith that the rate so published no longer accurately reflects the rate available to Agent and Lenders in the London Interbank Market or if such rate no longer exists or no longer accurately reflects the rate available to Agent and Lenders in the London Interbank Market, (each, a "***LIBOR Cessation Event***"), such rate will be (i) a comparable successor or alternative interbank rate selected by Agent (in consultation with Borrowers) for deposits in Dollars for a period of three months and for the outstanding principal amount of the Loans that is, at such time, broadly accepted by the commercial loan market in lieu of LIBOR as currently published so long as such comparable successor or alternative interbank rate is acceptable to the Agent in its Permitted Discretion for the purposes of this Agreement or (ii) solely if no such broadly accepted comparable successor or alternative interbank rate exists at such time that is acceptable to the Agent, a successor or alternative index rate as the Agent may determine, in consultation with Borrower, in its Permitted Discretion. If a LIBOR Cessation Event occurs, until such time that a replacement rate is established pursuant to the preceding clauses (i) and/or (ii), the Base Rate shall be the sole interest option available to the Borrowers.

"***Lien***" means any mortgage, deed of trust, pledge, hypothecation, assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement and any other preference, priority, or preferential arrangement in the nature of a security interest of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"***License Agreement***" shall mean any agreement between any Borrower and a Licensor pursuant to which such Borrower is authorized to use the Intellectual Property in connection with the manufacturing, marketing, sale or other distribution of any Inventory of such Borrower or otherwise in connection with such Borrower's business operations.

"***Licensor***" shall mean any Person from whom any Borrower obtains the right to use (whether on an exclusive or non-exclusive basis) any Intellectual Property of such Person in connection with such Borrower's manufacture, marketing, sale or other distribution of any Inventory or otherwise in connection with such Borrower's business operations.

"***Licensor/Agent Agreement***" shall mean an agreement between Agent and a Licensor, in form and content satisfactory to Agent, by which Agent is given the unqualified right, vis-a-vis such Licensor, to enforce Agent's Liens with respect to and to dispose of any Borrower's Inventory with the benefit of any Intellectual Property applicable thereto, irrespective of such Borrower's default under any License Agreement with such Licensor.

"***Loan Account***" has the meaning set forth in Section 2.4.

"***Loan Documents***" means, collectively, this Agreement and all notes, guaranties, security agreements, mortgages, certificates, landlord's agreements, Lock Box and Blocked Account agreements, the Fee Letter, the Collateral Pledge Agreement, and all other agreements, documents and instruments now or hereafter executed or delivered by any Borrower, any Loan Party in connection with, or to evidence the transactions contemplated by, this Agreement.

"***Loan Guaranty***" means Section 8 of this Agreement.

"***Loan Limits***" means, collectively, the Loan Limits for Revolving Loans and Letters of Credit set forth in Section 1 of Schedule A and all other limits on the amount of Loans and Letters of Credit set forth in this Agreement.

"***Loan Party***" means, individually, any Borrower, any Guarantor or any Subsidiary party to this Agreement; and "***Loan Parties***" means, collectively, Borrowers, Guarantors and all Subsidiaries party to this Agreement.

"***Loans***" means, collectively, the Revolving Loans.

"***Material Adverse Effect***" shall mean a material adverse effect on (a) the financial condition, results of operations, assets, business, or properties of the Borrowers, taken as a whole, (b) the Borrowers' ability to duly and punctually pay or perform the Obligations in accordance with the terms thereof, (c) the value of the Collateral, or Agent's Liens on the Collateral or the priority of any such Lien, or (d) the practical realization of the benefits of Agent's and each Lender's rights and remedies under this Agreement and the other Loan Documents.

"***Material Contract***" means has the meaning set forth in Section 5.18.

"***Maturity Date***" means the Scheduled Maturity Date (or if earlier the Termination Date), or such earlier date as the Obligations may be accelerated in accordance with the terms of this Agreement (including without limitation pursuant to Section 7.2).

"***Maximum Lawful Rate***" has the meaning set forth in Section 2.5.

"***Maximum Liability***" has the meaning set forth in Section 8.9.

"***Maximum Revolving Facility Amount***" means the amount set forth in Section 1(a) of Schedule A.

"***Minimum Liquidity***" means Excess Availability ***plus*** unrestricted cash ***minus*** outstanding or held checks.

"***Mortgages***" means each of the mortgages in favor of Agent on the following parcels of real property securing the Obligations: 6740 Shady Oak Road, Eden Prairie, MN 55344 and 4811 and 4813 Nashville Road, Bowling Green, KY 42101

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

"***Net Income***" means, for the applicable period, for Borrowers or Loan Parties on a consolidated basis, as applicable, the net income (or loss) of Borrowers or Loan Parties on a consolidated basis, as applicable, for such period, in each case of Borrowers or Loan Parties on a consolidated basis, as applicable, for such period.

"***Net Orderly Liquidation Value***" with respect to Eligible Inventory, Eligible In-Transit Inventory or Eligible Slow Moving Inventory, as applicable, means the net orderly liquidation value of such Eligible Inventory, Eligible In-Transit Inventory or Eligible Slow Moving Inventory, as applicable, as determined by Agent from time to time based upon the most recent

Inventory appraisal received by the Agent prepared by an appraiser, and in a manner acceptable to Agent.

"***NOLV Factor***" means the quotient, expressed as a percentage, of (a) the Net Orderly Liquidation Value of Eligible Inventory, Eligible In-Transit Inventory or Eligible Slow Moving Inventory, as applicable, divided by (b) the book value of Eligible Inventory, Eligible In-Transit Inventory or Eligible Slow Moving Inventory, as applicable, which will be adjusted monthly or at such other times as Agent shall determine in its discretion.

"***Non-Paying Guarantor***" has the meaning set forth in Section 8.10.

"***Non-U.S. Recipient***" has the meaning set forth in Section 9.1(e)(ii).

"***Notice of Borrowing***" has the meaning set forth in Section 1.4.

"***Obligations***" means all present and future Loans, advances, debts, liabilities, fees, expenses, obligations, guaranties, covenants, duties and indebtedness at any time owing by any Borrower or any Loan Party to Agent and Lenders, whether evidenced by this Agreement, any other Loan Document or otherwise whether arising from an extension of credit, opening of a Letter of Credit, guaranty, indemnification or otherwise, whether direct or indirect (including those acquired by assignment and any participation by any Lender in Borrowers' indebtedness owing to others), whether absolute or contingent, whether due or to become due, and whether arising before or after the commencement of a proceeding under the Bankruptcy Code or any similar statute.

"***Organic Documents***" means, with respect to any Person, the certificate of incorporation, articles of incorporation, certificate of formation, certificate of limited partnership, by-laws, operating agreement, limited liability company agreement, limited partnership agreement or other similar governance document of such Person.

"***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 Recipient 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 with respect to the revolving credit facility provided in this Agreement on any date, the sum of (a) the aggregate outstanding principal amount of all Revolving Loans as of such date, and (b) the amount of any outstanding Letters of Credit as of such date, after giving effect, without duplication, to any borrowings and prepayments or repayments of Revolving Loans and the issuance of any Letters of Credit.

"***Overadvance***" has the meaning set forth in Section 1.7(a).

"***Participant***" has the meaning set forth in Section 10.10.

"***Passport 6.0***" means the electronic and/or internet-based system approved by Agent for the purpose of making notices, requests, deliveries, communications, and for the other purposes contemplated in this Agreement or otherwise approved by Agent, whether such system is owned, operated or hosted by Agent, any of its Affiliates or any other Person.

"***Paying Guarantor***" has the meaning set forth in Section 8.10.

"***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 Multiemployer 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, and any sections of the Code or ERISA related thereto that are enacted after the date of this Agreement.

"***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 a Loan Party and or 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.

"***Permitted Acquisition***" means the acquisition by any Borrower of all or substantially all the assets of any other Person or line of business of such other Person, or all of the equity interests of any other Person (referred to herein as the "***Acquired Entity***"); provided that (i) the Acquired Entity shall be in a similar or related line of business as that of Borrowers as conducted during the current and most recently concluded calendar year or a business that uses comparable assets and equipment; (ii) at the time of such acquisition (A) both before and after giving effect thereto, no Event of Default or Default shall have occurred and be continuing, and (B) Borrowers would be in compliance with the covenants set forth in Section 5.25 of this Agreement as of the most recently completed period ending prior to such acquisition for which the financial statements and Compliance Certificate required by Section 5.15 of this Agreement were required to be delivered, after giving pro forma effect to such acquisition and to any other event occurring after such period as to which pro forma recalculation is appropriate (including any other acquisition described in this definition occurring after such period) as if such acquisition (and the occurrence or assumption of any Indebtedness in connection therewith) had occurred as of the first day of such period; (iii) Borrowers shall not incur or assume any Indebtedness in connection with such acquisition, except for Permitted Indebtedness; (iv) Borrowers shall comply, and shall cause the Acquired Entity to comply, with the applicable provisions of Section 3.3 of this Agreement; (v) no Acquired Entity shall be organized or domiciled under the law of any jurisdiction outside the United States, Canada, or Western Europe; (vi) only to the extent that the aggregate amount paid in connection with such acquisition shall not be paid entirely with the proceeds of an issuance or incurrence of Indebtedness or issuance of equity interests and Borrowers shall paid a portion of the purchase price and other consideration with the proceeds of a Revolving Loan hereunder, (I) Borrower's Minimum Liquidity immediately after giving effect to such acquisition will be not less than $20,000,000; (vii) the aggregate consideration (which shall include any amount paid and any principal indebtedness or other liabilities assumed or incurred) for all such "Permitted Acquisitions" shall not exceed (x) $20,000,000 in the aggregate during any fiscal year of Borrowers and (y) $45,000,000 in the aggregate for all such acquisitions during the period between the Closing Date and the Scheduled Maturity Date; (viii) [reserved], (ix) Borrowers shall have delivered to Agent a certificate of the chief financial officer of Borrowers certifying as to

Borrowers' compliance with the requirements of this definition and setting forth in reasonable detail Borrowers' calculation of the items set forth in clause (ii)(B) of this definition of "Permitted Acquisition" (in each case, in form and substance satisfactory to Agent) and attaching such supporting documentation as Agent may request and (x) no assets acquired in any such transaction(s) shall be included in the Borrowing Base until Agent has received a field examination and/or appraisal of such assets, in form and substance acceptable to Agent. For the purposes of calculating Minimum Liquidity under this definition, any assets being acquired in the proposed acquisition shall be included in the Borrowing Base on the date of closing so long as Agent has received an audit or appraisal of such assets as set forth in clause (x) above and so long as such assets satisfy the applicable eligibility criteria. The term "Permitted Acquisition" shall also include all other acquisitions to which Agent may consent in writing without reference to any of the foregoing tests.

"***Permitted Discretion***" means a determination made by Agent in the exercise of reasonable (from the perspective of an asset-based secured lender) business judgment exercised in good faith in accordance with customary business practices with comparable asset-based lending facilities.

"***Permitted Indebtedness***" means: (a) the Obligations; (b) the Indebtedness existing on the date hereof described in Section 46 of the Information Certificates; in each case along with extensions, refinancings, modifications, amendments and restatements thereof, ***provided***, that (i) the principal amount thereof is not increased, (ii) if such Indebtedness is subordinated to any or all of the Obligations, the applicable subordination terms shall not be modified without the prior written consent of Agent, and (iii) the terms thereof are not modified to impose more burdensome terms upon any Loan Party; (c) Capitalized Leases and purchase money Indebtedness secured by Permitted Liens and Indebtedness consisting of the financing of insurance premiums in the ordinary course of business in an aggregate amount not exceeding $3,000,000 at any time outstanding; (d) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business; (e) unsecured Indebtedness subordinated pursuant to a subordination agreement in form and substance satisfactory to Agent in its Permitted Discretion; (f) so long as it is subject to the Intercreditor Agreement, the Term Debt Permitted Indebtedness; (g) the Seller Debt Permitted Indebtedness, and any other seller indebtedness incurred in connection with a Permitted Acquisition so long as such other seller indebtedness is subordinated or subject to an intercreditor or subordination agreement in form and substance satisfactory to the Agent,; (h) secured Indebtedness permitted under clause (i) of the definition of Permitted Lien,; (i) any earn-outs that constitute Indebtedness incurred in connection with any Permitted Acquisition; (j) Indebtedness relating to reimbursement obligations for letters of credit that have been cash collateralized on the Closing Date and; (k) secured or unsecured Indebtedness of any Unrestricted Foreign Subsidiary in an aggregate amount not to exceed $100,000; and (l) other unsecured Indebtedness in an amount not to exceed $500,000 in the aggregate at any time outstanding.

"***Permitted Investments***" means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having a rating of

at least AA from Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, Inc. ("S&P") or Aa from Moody's Investors Service, Inc. ("Moodys");

(c) investments in commercial paper maturing within one year from the date of acquisition thereof and having, at such date of acquisition, a rating of at least A-2 from S&P or P-2 from Moody's;

(d) investments in certificates of deposit, banker's acceptances and time deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof, or by any Agent which has a combined capital and surplus and undivided profits of not less than $500,000,000;

(e) fully collateralized repurchase agreements with a term of not more than 120 days for securities described in clause (a) of this definition and entered into with a financial institution satisfying the criteria described in clause (d) of this definition; and

(f) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated at least AA by S&P or Aa by Moody's and (iii) have portfolio assets of at least $1,000,000.000.

"***Permitted Liens***" means (a) purchase money security interests in specific items of Equipment securing Permitted Indebtedness described under clause (c) of the definition of Permitted Indebtedness; (b) Liens disclosed in Section 47 of the Information Certificates; ***provided, however***, that to qualify as a Permitted Lien, any such Lien described in Section 47 of the Information Certificates shall only secure the Indebtedness that it secures on the Closing Date and any permitted refinancing in respect thereof; (c) Liens for taxes, fees, assessments, or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings (which proceedings have the effect of preventing the enforcement of such lien) for which adequate reserves in accordance with GAAP are being maintained, ***provided***, that the same have no priority over any of Agent's security interests; (d) liens of materialmen, mechanics, carriers, or other similar liens arising in the ordinary course of business and securing obligations which are not delinquent or are being contested in good faith by appropriate proceedings (which proceedings have the effect of preventing the enforcement of such lien) for which adequate reserves in accordance with GAAP are being maintained; (e) Liens which constitute banker's liens, rights of set-off, or similar rights as to deposit accounts or other funds maintained with a bank or other financial institution (but only to the extent such banker's liens, rights of set-off or other rights are in respect of customary service charges relative to such deposit accounts and other funds, and not in respect of any loans or other extensions of credit by such bank or other financial institution to any Loan Party); (f) cash deposits or pledges of an aggregate amount not to exceed $500,000 to secure the payment of worker's compensation, unemployment insurance, or other social security benefits or obligations, public or statutory obligations, surety or appeal bonds, bid or performance bonds, or other obligations of a like nature incurred in the ordinary course of business, (g) the Term Debt Permitted Liens to secure the Term Debt Permitted Indebtedness, (h) the Seller Debt Permitted Liens to secure the Seller Debt Permitted Indebtedness, (i) Liens in favor of the Agent for the benefit of the Agent and the Lenders, (j) Liens securing Indebtedness represented by financed insurance premiums in the ordinary course of business provided that such Liens do not extend to any property or assets other than the insurance policies being financed, (k) Liens securing Indebtedness permitted by clause (j) of the definition of Permitted Indebtedness, (l) Liens that are junior to the liens in favor of Agent securing indebtedness in an amount not to exceed $500,000, (m) minor survey exceptions, minor encumbrances, ground leases, easements or reservations of, or rights of others for, licenses, rights-of-way, servitudes, sewers, electric lines, drains, telegraph and telephone and cable television lines, gas and oil pipelines and

other similar purposes, or zoning, building codes or other restrictions (including without limitation, minor defects or irregularities in title and similar encumbrances), which do not in the aggregate interfere in any material respect with the ordinary course of business of the Borrowers and their Subsidiaries; (n) any exceptions listed on the title insurance policies delivered to and accepted by, the Term Debt Agent, (o) licenses, sublicenses or any other rights granted with respect to Intellectual Property in the ordinary course of business; (p) leases, subleases, licenses or sublicenses granted to others in the ordinary course of business which do not materially interfere with the ordinary conduct of the business; (q) landlords' and lessors' statutory Liens; (r) Liens arising from precautionary Uniform Commercial Code filings regarding "true" operating leases or, to the extent permitted under this Agreement, the consignment of goods to a Borrower or a Guarantor; (s) Liens in favor of customs and revenues authorities imposed by applicable Law arising in the ordinary course of business in connection with the importation of goods; (t) restrictive covenants affecting the use to which real property may be put; provided that the covenants are complied with; (u) zoning by-laws and other land use restrictions, including, without limitation, site plan agreements, development agreements and contract zoning agreements; and (w) Liens in favor of any credit card processor arising in the ordinary course of business under the applicable credit card arrangement and solely with respect to (i) any items returned by a customer who purchased such items thereunder, (ii) any reserve accounts established pursuant thereto or (iii) set off rights in favor of the applicable credit card processor solely relating to any payments due to any Borrower thereunder; and (x) Liens securing Indebtedness permitted by clause (k) of the definition of Permitted Indebtedness.

"***Person***" means any individual, sole proprietorship, partnership, joint venture, limited liability company, trust, unincorporated organization, association, corporation, government or any agency or political division thereof, or any other entity.

"***Plan***" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained by any Loan Party or any such plan to which any Loan Party (or with respect to any plan subject to Section 412 or 430 of the Code or Section 302 or Title IV of ERISA, any ERISA Affiliate) is required to contribute.

"***Pledged Equity***" means the Equity Interests listed on Sections 20 and 41 of the Information Certificates, together with any other Equity Interests, certificates, options, or rights or instruments of any nature whatsoever in respect of the Equity Interests of any Person that may be issued or granted to, or held by, any Loan Party while this Agreement is in effect, and including, without limitation, to the extent attributable to, or otherwise related to, such pledged Equity Interests, all of such Loan Party's (a) interests in the profits and losses of each Issuer, (b) rights and interests to receive distributions of each Issuer's assets and properties, and (c) rights and interests, if any, to participate in the management or each Issuer related to such pledged Equity Interests.

"***Portal Acquisition***" the acquisition of assets from the Seller pursuant to the terms of that certain Asset Purchase Agreement dated as of June 30, 2021 among iMedia, Portal and Seller.

"***Pro Rata Share***" means, with respect to a Lender's obligation to make (I) all or a portion of the Revolving Loans, with respect to such Lender's right to receive payments of interest, fees, and principal with respect to the Revolving Loans, and with respect to all other computations and other matters related to the Revolving Loan Commitments or the Revolving Loans, the percentage obtained by dividing (x) the Revolving Loan Exposure of such Lender by (y) the aggregate Revolving Loan Exposure of all Lenders and (II) all or a portion of the Term Loan, with respect to such Lender's right to receive payments of interest, fees, and principal with respect to the Term Loan, and with respect to all other computations and other matters related to the Term Loan Commitments or the Term Loan, the percentage

obtained by dividing (x) the Term Loan Commitment of such Lender by (y) the aggregate Term Loan Commitment of all Lenders.

"***Protective Advances***" has the meaning set forth in Section 1.3.

"***Recipient***" means any Agent, any Lender, any Participant, or any other recipient of any payment to be made by or on account of any Obligation of any Loan Party under this Agreement or any other Loan Document, as applicable.

"***Register***" has the meaning set forth in Section 10.9(a).

"***Released Parties***" has the meaning set forth in Section 6.1.

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

"***Reserves***" has the meaning set forth in Section 1.2.

"***Restricted Accounts***" means Deposit Accounts (a) established and used (and at all times will be used) solely for the purpose of paying current payroll obligations (including payroll, payroll taxes and other employee wage payments) of Loan Parties (and which do not (and will not at any time) contain any deposits other than those necessary to fund current payroll, payroll taxes and other employee wage payments), in each case in the ordinary course of business, or (b) maintained (and at all times will be maintained) solely in connection with an employee benefit plan, but solely to the extent that all funds on deposit therein are solely held for the benefit of, and owned by, employees (and will continue to be so held and owned) pursuant to such plan.

"***Required Lenders***" means, at any time, Lenders having or holding at least 50.1% of the aggregate Revolving Loan Exposure of all Lenders, *provided* that (x) if there are less than three (3) unaffiliated Lenders, Required Lenders shall mean all Lenders, and (y) the Revolving Commitment of, and the portion of the liabilities held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"***Revolving Loans***" has the meaning set forth in Section 1.1(a).

"***Revolving Loan Commitment***" means, with respect to each Lender, its Revolving Loan Commitment, and with respect to all Lenders, their Revolving Loan Commitments, in each case as such Dollar amounts are set forth beside such Lender's name under the applicable heading on Schedule A to the Agreement or in the Assignment and Acceptance pursuant to which such Lender became a Lender under the Agreement, as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with the provisions of Section 10.8 of this Agreement; *provided* that the aggregate amount of the Revolving Loan Commitments shall in no event exceed the Total Revolving Loan Commitments.

"***Revolving Loan Exposure***" means, with respect to any Lender, as of any date of determination (a) prior to the termination of the Revolving Loan Commitments, the amount of such Lender's Revolving Loan Commitment, and (b) after the termination of the Revolving Loan Commitments, the aggregate outstanding principal amount of the Revolving Loans of such Lender.

"***Scheduled Maturity Date***" means the date set forth in Section 6 of Schedule A.

"***Securities Act***" means the Securities of Act of 1933, as amended.

"***Seller***" means Synacor, Inc., a Minnesota corporation, together with its successors and permitted assigns.

"***Seller Debt Documents***" means, collectively, (i) the Seller Note and (ii) all other instruments, agreements and documents executed in connection therewith.

"***Seller Debt Note***" means the Secured Promissory Note dated as of the date hereof executed by iMedia, Portal and Seller.

"***Seller Debt Permitted Indebtedness***" means the Indebtedness evidenced by the Seller Debt Documents in an aggregate principal amount outstanding at any time not to exceed $10,000,000.

"***Seller Debt Permitted Liens***" means, collectively all Liens in favor of the Seller Debt Lenders securing the Seller Debt Permitted Indebtedness.

"***Senior Debt***" means the sum of (a) outstanding principal amount of all Revolving Loans and issued and outstanding Letters of Credit under this Agreement, (b) the outstanding principal balance of the Term Debt Permitted Indebtedness and (c) the outstanding principal balance of the Bond Indebtedness.[6]

"***Senior Net Leverage Ratio***" means, as of the last day of any fiscal quarter of Loan Parties, the ratio of (i) (a) Senior Debt as of the last day of any fiscal quarter of Loan Parties minus (b) the total cash on deposit in the Borrowers' Deposit Accounts (other than Restricted Accounts) as of the last day of such fiscal quarter to (ii) Loan Parties' Consolidated Adjusted EBITDA for the most recent four fiscal quarters ended as of the last day of the most recent fiscal quarter then ended.[7]

"***Settlement Date***" means Friday of each week (or if any Friday is not a Business Day on which all Lenders are open for business, the immediately preceding Business Day on which all Lenders are open for business), provided that, Agent, in its discretion, may require that the Settlement Date occur more frequently (even daily) so long as any Settlement Date chosen by Agent is a Business Day on which each Lender is open for business.

"***Slow Moving Inventory***" means Inventory that is more than five hundred forty (540) days old from date of last purchase.

"***SOFR***" means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

"***SOFR Administrator***" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"***Springing DACA Account***" has the meaning set forth in Section 4.1.

"***Springing DACA Event***" means (a) any date on which Borrower has Minimum Liquidity of less than $10,000,000 or (b) the occurrence and continuance of an Event of Default under

[6] Amended by Amendment No. 1 dated September 20, 2021.

[7] Amended by Amendment No. 1 dated September 20, 2021.

Section 7.1 (c) (arising from a breach of Section 5.26), Section 7.1(d), Section 7.1 (g), Section 7.1 (h) or Section 7.1(r).

"***Stated Rate***" has the meaning set forth in Section 2.5.

"***Subsidiary***" means any corporation or other entity of which a Person owns, directly or indirectly, through one or more intermediaries, more than 50% of the Equity Interests at the time of determination. Unless the context indicates otherwise, references to a Subsidiary shall be deemed to refer to a Subsidiary of Borrowers.

"***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.

"***Term Debt Lender***" means GreenLake Real Estate Finance LLC, a California limited liability company, as lender under the Term Debt Documents, together with its successors and permitted assigns.

"***Term Debt Documents***" means, collectively, (i) the Term Debt Loan Agreement, and
(ii) all other instruments, agreements and documents executed in connection therewith.

"***Term Debt Loan Agreement***" means the Promissory Note Secured By Mortgages dated as of the date hereof executed by VVI Fulfillment, EP Properties and iMedia in favor of the Term Debt Lender.

"***Term Debt Permitted Indebtedness***" means the Indebtedness evidenced by the Term Debt Documents in an aggregate principal amount outstanding at any time not to exceed the Maximum Priority Term Loan Debt (as defined in the Intercreditor Agreement).

"***Term Debt Permitted Liens***" means, collectively all Liens in favor of the Term Debt Lender securing the Term Debt Permitted Indebtedness.

"***Term SOFR***" means the Term SOFR Reference Rate for a tenor of one month commencing on the day (such day, the "***Term SOFR Determination Day***") that is three (3) U.S. Government Securities Business Days prior to the first day of each calendar month, as such rate is published by the Term SOFR Administrator; provided, however, that (i) if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day and (ii) if Term SOFR determined as provided above (including pursuant to clause (i) of this proviso) shall ever be less than 0.50%, then Term SOFR shall be deemed to be 0.50%.

"***Term SOFR Administrator***" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by Agent in its reasonable discretion).

"***Term SOFR Reference Rate***" means the forward-looking term rate based on SOFR.

"***Termination Date***" means the date on which all of the Obligations have been paid in full in cash (other than any contingent indemnification obligations or any Obligations which have been cash collateralized in accordance with the terms of this Agreement) and all of Agent's lending commitments under this Agreement and under each of the other Loan Documents have been terminated.

"***Third Amendment Effective Date***" , 2022.

"***Total Revolving Loan Commitments***" means, the Revolving Loan Commitments of all Lenders; *provided* that the aggregate amount of the Total Revolving Loan Commitments shall in no event exceed $80,000,000.

"***UCC***" means, at any given time, the Uniform Commercial Code as adopted and in effect at such time in the State of New York or such other applicable jurisdiction.

"***Unrestricted Foreign Subsidiary***" means any Foreign Subsidiary that is not a Loan Party.

"***U.S. Government Securities Business Day***" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association, or any successor thereto, recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"***Value Pay Plan***" shall mean that certain purchase plan offered by Borrowers to consumer Customers pursuant to which a consumer Customer may be approved to purchase Inventory through a payment plan of up to six (6) payments over five (5) months.

Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder (including determinations made pursuant to the exhibits hereto) shall be made, and all financial statements required to be delivered hereunder shall be prepared on a consolidated basis in accordance with GAAP consistently applied. If at any time any change in GAAP would affect the computation of any financial ratio or financial requirement set forth in any Loan Document, and either Borrowers or Agent shall so request, Lenders and Borrowers 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, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) Borrowers shall provide to Agent financial statements and other documents required under this Agreement and the other Loan Documents which include a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Statement of Financial Accounting Standards 159 (Codification of Accounting Standards 825-10) to value any Indebtedness or other liabilities of any Loan Party at "fair value", as defined therein.

References in this Agreement to "Articles", "Sections", "Annexes", "Exhibits" or "Schedules" shall be to Articles, Sections, Annexes, Exhibits or Schedules of or to this Agreement unless otherwise specifically provided. Any term defined herein may be used in the singular or plural. "Include", "includes" and "including" shall be deemed to be followed by "without limitation". "Or" shall be construed to mean "and/or". Except as otherwise specified or limited herein, references to any Person include the successors and assigns of such Person. References "from" or "through" any date mean, unless otherwise specified, "from and including" or "through and including", respectively.

Unless otherwise specified herein, the settlement of all payments and fundings hereunder between or among the parties hereto shall be made in lawful money of the United States and in immediately available funds. Time is of the essence for each performance obligation of the Loan Parties under this Agreement and each Loan Document. All amounts used for purposes of financial calculations required to be made herein shall be without duplication. References to any statute or act shall include all related current regulations and all amendments and any successor statutes, acts and regulations. References to any agreement, instrument or document (a) shall include all schedules, exhibits, annexes and other attachments thereto and (b) shall be construed as referring to such agreement, instrument or other document as from time to time amended, amended and restated, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein or in any other Loan Document). 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. Unless otherwise specified herein Dollar ($) baskets set forth in the representations and warranty, covenants and event of default provisions of this Agreement (and other similar baskets) are calculated as of each date of measurement by the Dollar Equivalents thereof as of such date of measurement.

Schedule C

Reserved

Schedule D

Provide Agent and each Lender with each of the documents set forth below at the following times in form satisfactory to Agent:

Weekly	· reporting of weekly sales, collections and credits, · a Value Pay Plan ageing summary and · updated In-transit Credit Card Receipts for the prior week.
Monthly (no later than the 20th day of each calendar month); ***provided, that*** any time after Borrower's Minimum Liquidity is less than $10,000,000, such requirement shall be Weekly	· summary Inventory reports (including breakout by category), and A system generated perpetual inventory report to be submitted on a monthly basis that will capture inventory amounts by product line and related ineligibles in a form satisfactory to Siena.
Monthly (no later than the 20th day of each calendar month)	· accounts receivable ageings inclusive of reconciliations to the general ledger, · accounts payable schedules inclusive of reconciliations to the general ledger (including ageing of accrued cable access fees included in accounts payable), · Inventory reports (including breakout by category, including without limitation In-Transit Inventory), · monthly reporting of the prior month's Average FICO Score and · Borrowing Base Certificate in form and substance satisfactory to Agent (which shall be calculated as of the last day of the prior month and which shall not be binding upon Agent or restrictive of Agent's rights under this Agreement).

Monthly (no later than 30 days after the end of each calendar month), as set forth in Section 5.15(c)	· the unaudited interim financial statements of each Loan Party as of the end of such month and of the portion of such Fiscal Year then elapsed · Compliance Certificate · Updates to the Information Certificate required by Section 5.29
Quarterly (no later than 45 days after the end of each calendar month), as set forth in Section 5.15(b)	· the unaudited interim financial statements of each Loan Party as of the end of such quarter and of the portion of such Fiscal Year then elapsed · Compliance Certificate
Yearly (no later than 120 days after the end of each Fiscal Year of Borrowers), as set forth in Section 5.15(a)	· unqualified, audited financial statements of each Loan Party as of the end of such Fiscal Year · a Compliance Certificate
Yearly (no later than 30 days after the end of each Fiscal Year of Borrowers), as set forth in Section 5.15(e)	· monthly business projections for the following Fiscal Year for the Loan Parties on a consolidated basis
Yearly (no later than the 120th day after the end of each Fiscal Year of Borrowers)	· financial statements of each Guarantor, if any (to the extent such financial statements are not already consolidated with the financial statements of Borrowers).
Promptly upon delivery or receipt,	· copies of any and all written notices (including notices of default or acceleration), reports and other deliveries received by or on behalf of any Loan

or request, as applicable, thereof	Party from or sent by or on behalf of any Loan Party to, any holder, agent or trustee with respect to any or all of the Term Debt Permitted Indebtedness and Seller Debt Permitted Indebtedness (in such holder's, agent's or trustee's capacity as such) · confirmatory assignment schedules as Agent may reasonably request · copies of Customer's invoices as Agent may reasonably request · evidence of shipment or delivery as Agent may reasonably request · such further schedules, documents and/or information regarding the Collateral as Agent may reasonably request including trial balances and test verifications.

Schedule E[8]

Financial Covenants

(a) **Minimum Liquidity.** Borrowers shall not permit Minimum Liquidity as of the end of any fiscal month to be less than $7,500,000; ***provided, that***, commencing April 2, 2022, if, as of any Testing Date (as defined below) as set forth in paragraph (b) of this Schedule E, Borrowers fail to maintain Senior Net Leverage Ratio for the trailing twelve month period ended on such Testing Date of less than 2.50:1.00, then for the entirety of the immediately subsequent fiscal quarter, Borrowers shall not permit Minimum Liquidity measured as of the last day of any fiscal month in such fiscal quarter, to be less than $15,000,000. If and when the Minimum Liquidity threshold has been automatically increased pursuant to the immediately foregoing sentence, the Minimum Liquidity threshold will remain at $15,000,000 until Borrowers deliver evidence satisfactory to Agent in its Permitted Discretion that Borrowers maintained a Senior Net Leverage Ratio of less than 2.50:1.00, for the most recent trailing twelve month period then ended as measured on the most recent Testing Date then ended, at which point, the Borrowers' Minimum Liquidity threshold shall automatically revert to $7,500,000 for the entirety of the immediately subsequent fiscal quarter.

(b) **Maximum Senior Net Leverage Ratio.** Loan Parties shall maintain a Senior Net Leverage Ratio of not greater than the applicable ratio set forth in the table immediately below, and corresponding to the applicable time period, which shall be tested as of the last day of each fiscal quarter (the "***Testing Date***") of Loan Parties:

Trailing Twelve Month Period	**Senior Net Leverage Ratio**
Period ending on Testing Date October 30, 2021	3.50:1.00
Period ending on Testing Date January 29, 2022	3.50:1.00
Period ending on Testing Date April 30, 2022	3.25:1.00
Period ending on Testing Date July 30, 2022	3.00:1.00
Period ending on Testing Date October 29, 2022	2.75:1.00
Period ending on Testing Date January 28, 2023	2.75:1.00
Period ending on Testing Date April 29, 2023 and thereafter	2.50:1.00

[8] Amended by Amendment No. 2 dated December 27, 2021.

Schedule F

Lender Notice Information

Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, Connecticut 06902
Attention: Steve Sanicola
Email: ssanicola@sienalending.com

Exhibit A

FORM OF NOTICE OF BORROWING

[letterhead of Borrowing Agent]

Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, Connecticut 06902
Attention: Steve Sanicola

Dear Mr. Sanicola:

Please refer to the Loan and Security Agreement dated as of July 30, 2021 (as amended, restated or otherwise modified from time to time, the "***Loan Agreement***") among the undersigned, as a Borrower and Borrowing Agent, each of the other Borrowers (as defined therein) the Loan Parties (as defined therein) party thereto, the financial institutions party thereto from time to time (the "***Lenders***") and Siena Lending Group LLC, as agent for the Lenders (the "***Agent***"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Loan Agreement. This notice is given pursuant to Section 10 of the Loan Agreement and constitutes a representation by Borrowing Agent, on behalf of Borrowers, that the conditions specified in Section 1.6 of the Loan Agreement have been satisfied. Without limiting the foregoing, (a) each of the representations and warranties set forth in the Loan Agreement and in the other Loan Documents is true and correct in all respects as of the date hereof (or to the extent any representations or warranties are expressly made solely as of an earlier date, such representations and warranties shall be true and correct as of such earlier date), both before and after giving effect to the Loans requested hereby, and (b) no Default or Event of Default is in existence, both before and after giving effect to the Loans requested hereby (*if not true, in the "Comments Regarding Exceptions" section below, specify the Default of Event of Default, its nature, when it occurred, whether it is continuing and the steps being taken by Borrowers with respect to such Default of Event of Default)*.

Borrowing Agent, on behalf of Borrowers, hereby requests a borrowing under the Loan Agreement as follows:

The aggregate amount of the proposed borrowing is $[_____]. The requested borrowing date for the proposed borrowing (which is a Business Day) is [_____], [ ].

Borrowing Agent has caused this Notice of Borrowing to be executed and delivered by its Authorized Officer thereunto duly authorized on [_____].

Comments Regarding Exceptions: _____.

IMEDIA BRANDS, INC.
By: _____
Title: _____

Exhibit B

CLOSING CHECKLIST

[attached]

Exhibit C

CLIENT USER FORM

Siena Lending Group LLC
Passport 6.0 – Client User Form

Borrowing Agent: iMedia Brands, Inc.

Borrower Number:_____

Loan and Security Agreement Date: July 30, 2021

We, being two Authorized Officers of the above Borrower (the "***Borrowing Agent***"), refer to the above Loan and Security Agreement (as amended, restated or otherwise modified from time to time, the "***Loan Agreement***") between the Borrowing Agent, each of the other Borrowers (as defined therein) the financial institutions party thereto from time to time (the "***Lenders***") and Siena Lending Group LLC, as agent for the Lenders (the "***Agent***"). This is the Client User Form, used to determined client access to Passport 6.0.

Being duly authorized by the Borrowing Agent, we each confirm that the following people have been authorized by the Borrowing Agent to have access (Full Access or Read Only, as indicated below) to Passport 6.0:

First Name	Last Name	Full Access or Read Only Access[91]	Email Address	Phone Number

IMEDIA BRANDS, INC.

By: _____ By: _____

Name:
Title:
Date:

Name:
Title:
Date:

[91] Note: "Full Access" means the designated user will have the following rights: (i) upload documents into Passport 6.0; (ii) access to Borrowers' portal within Passport 6.0 module; and (iii) authority to requestadvances.
"Read Only Access" means the designated user will be limited to (i) and (ii).

Exhibit D

AUTHORIZED ACCOUNTS FORM

Siena Lending Group LLC
Authorized Accounts Form

Borrowing Agent: iMedia Brands, Inc.

Borrower Number: _____

Loan and Security Agreement Date: July 30, 2021

I, being an Authorized Officer of the above Borrower (the "***Borrowing Agent***"), refer to the above Loan and Security Agreement (as amended, restated or otherwise modified from time to time, the "***Loan Agreement***") between the Borrowing Agent, each of the other Borrowers (as defined therein) the financial institutions party thereto from time to time (the "***Lenders***") and Siena Lending Group LLC, as agent for the Lenders (the "***Agent***"). This is the Authorized Accounts Form, referring to authorized operating bank accounts of the Borrowers. Terms defined in the Loan Agreement have the same meaning when used in this Authorized Accounts Form.

Being duly authorized by the Borrowing Agent, I confirm that the following operating bank accounts of the Borrowing Agent are the accounts into which the proceeds of any Loan may be paid:

Bank	Routing Number	Account number	Account name

IMEDIA BRANDS, INC.

By: _____

Name:
Title:
Date:

By: _____

Name:
Title:
Date:

Exhibit E-1

FORM OF ACCOUNT DEBTOR NOTIFICATION

[Borrower Name]

_____

_____

VIA OVERNIGHT COURIER

_____

_____

_____

Re: Loan Transaction with Siena Lending Group LLC

Ladies and Gentlemen:

Please be advised that we and certain of our subsidiaries or affiliates have entered into certain financing arrangements (the " ***Financing Arrangements***") with Siena Lending Group LLC ("***Agent***"), pursuant to which we have granted to Agent a security interest in, among other things, any and all Accounts and Chattel Paper (as those terms are defined in the Uniform Commercial Code) owing by you to us, whether now existing or hereafter arising.

You are authorized and directed to respond to any inquiries that Agent may direct to you from time to time pertaining to the validity, amount, and other matters relating to such Accounts and Chattel Paper. In addition, you are hereby authorized and directed to pay all invoices and amounts now and hereafter due to us pursuant to the following directions:

If remitting payment via wire transfer, please wire transfer the monies to the following account:

Transit Number (RTN/ABA): _____
Bank Name: _____
Account Name: _____
Beneficiary Account Number: _____
Reference: _____

If payment by check:

Made payable to: [BORROWER'S NAME]

Mailed to: _____

_____

_____

Please notify your accounting department of this change. If you make payment to us in any manner other than as set forth above, such payment will not constitute settlement of the account.

These instructions may not be modified or supplemented without written notice from Siena Lending Group LLC.

This authorization and directive shall be continuing and irrevocable until all of the Financing Agreements have been terminated and all obligations owing thereunder by us and our subsidiaries or affiliates have been paid in full in cash (other than unasserted contingent indemnification obligations).

[SIGNATURES TO FOLLOW ON NEXT PAGE]

Very truly yours,

IMEDIA BRANDS, INC.

By: _____

Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

VALUEVISION RETAIL, INC.

By: _____

Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

FL ACQUISITION COMPANY

By: _____

Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

.

Very truly yours,

PW ACQUISITION COMPANY, LLC

By: _____
Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

VALUEVISION MEDIA ACQUISITIONS, INC.

By: _____
Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

TCO, LLC

By: _____

Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

JWH ACQUISITION COMPANY

By: _____
Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

NORWELL TELEVISION, LLC

By: _____
Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

867 GRAND AVENUE LLC

By: _____

Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

VALUEVISION INTERACTIVE, INC.

By: _____

Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

Very truly yours,

VVI FULFILLMENT CENTER, INC.

By: _____
Name:
Its:

cc: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, CT 06902
Attention: Steven Sanicola

[Link-to-previous setting changed from on in original to off in modified.].

Exhibit F

FORM OF COMPLIANCE CERTIFICATE

[letterhead of Borrowing Agent]

To: Siena Lending Group LLC
9 W Broad Street, Suite 540
Stamford, Connecticut 06902
Attention: Steven Sanicola

Re: Compliance Certificate dated _____

Ladies and Gentlemen:

Reference is made to that certain Loan and Security Agreement dated as of July 30, 2021 (as amended, restated or otherwise modified from time to time, the "***Loan Agreement***") by and among Siena Lending Group LLC (together with its successors and assigns, " ***Agent***"), IMEDIA BRANDS, INC., a Minnesota corporation ("***iMedia***"), VALUEVISION INTERACTIVE, INC., a Minnesota corporation (" ***Value Interactive***"), VALUEVISION RETAIL, INC., a Delaware corporation (" ***Value Retail***"), PW ACQUISITION COMPANY, LLC, a Minnesota limited liability company ("***PW Acquisition***"), FL ACQUISITION COMPANY, a Minnesota corporation (" ***FL Acquisition***"), VALUEVISION MEDIA ACQUISITIONS, INC., a Delaware corporation ("***Value Media***"), TCO, LLC, a Delaware limited liability company (" ***TCO***"), JWH ACQUISITION COMPANY, a Minnesota corporation (" ***JWH Acquisition***"), NORWELL TELEVISION LLC, a Delaware limited liability company ("***Norwell***"), and 867 GRAND AVENUE LLC, a Minnesota limited liability company (" ***867 Grand Avenue***" and together with iMedia, Value Interactive, Value Retail, PW Acquisition, FL Acquisition, Value Media, TCO, JWH Acquisition, Norwell, and any other Person who from time to time becomes a Borrower hereunder, individually and collectively as the context may require, "***Borrowers***") and each of the Loan Parties (as defined therein) party thereto. Capitalized terms used in this Compliance Certificate have the meanings set forth in the Loan Agreement unless specifically defined herein.

Pursuant to Section 5.15 of the Loan Agreement, the undersigned Authorized Officer of Borrowing Agent, on behalf of the Borrowers, hereby certifies (solely in his capacity as an officer of Borrowing Agent and not in his individual capacity) that:

1. The financial statements of Borrowers for the ____month period ending _____ attached hereto have been prepared in accordance with GAAP, and fairly present the financial condition of Borrowers for the periods and as of the dates specified therein.

2. As of the date hereof, there does not exist any Default or Event of Default.

3. Borrowers are in compliance with the applicable financial covenants contained in Section 5.26 of the Loan Agreement for the periods covered by this Compliance Certificate. Attached hereto are statements of all relevant facts and computations in reasonable detail sufficient to evidence Borrowers' compliance with such financial covenants, which computations were made in accordance with GAAP.

IN WITNESS WHEREOF, this Compliance Certificate is executed by the undersigned Authorized Officer this __day of _____, _____.

IMEDIA BRANDS, INC.

By: _____
Name:
Title:

Exhibit G

FORM OF ASSIGNMENT AND ACCEPTANCE

[On File with Agent]

Exhibit 10.76

EXECUTION VERSION

FOURTH AMENDMENT AND CONSENT TO
LOAN AND SECURITY AGREEMENT

THIS FOURTH AMENDMENT AND CONSENT TO LOAN AND SECURITY AGREEMENT (this " ***Amendment***"), dated as of April 18, 2022, is entered into by and among IMEDIA BRANDS, INC., a Minnesota corporation ("***iMedia***" or "***Borrowing Agent***"), VALUEVISION INTERACTIVE, INC., a Minnesota corporation (" ***Value Interactive***"), VALUEVISION RETAIL, INC., a Delaware corporation ("***Value Retail***"), PW ACQUISITION COMPANY, LLC, a Minnesota limited liability company (" ***PW Acquisition***"), FL ACQUISITION COMPANY, a Minnesota corporation (" ***FL Acquisition***"), VALUEVISION MEDIA ACQUISITIONS, INC., a Delaware corporation ("***Value Media***"), TCO, LLC, a Delaware limited liability company (" ***TCO***"), JWH ACQUISITION COMPANY, a Minnesota corporation (" ***JWH Acquisition***"), NORWELL TELEVISION, LLC, a Delaware limited liability company ("***Norwell***"), 867 GRAND AVENUE LLC, a Minnesota limited liability company (" ***867 Grand Avenue***" and together with iMedia, Value Interactive, Value Retail, PW Acquisition, FL Acquisition, Value Media, TCO, JWH Acquisition, Norwell, and any other Person who from time to time becomes a Borrower under the Loan Agreement, collectively, the "***Borrowers***" and each individually, a "***Borrower***"), VVI FULFILLMENT CENTER, INC., a Minnesota corporation ("***VVI Fulfillment***"), EP PROPERTIES, LLC, a Minnesota limited liability company ("***EP Properties***"), PORTAL ACQUISITION COMPANY, a Minnesota corporation ("***Portal***"), IMEDIA&123TV HOLDING GMBH ("***iMedia&123tv Holding***" and together with VVI Fulfillment, EP Properties, Portal and any other Affiliates of the Borrowers who become signatory to the Loan Agreement from time to time as guarantors, if any, each a "***Guarantor***" and collectively, the " ***Guarantors***"), **SIENA LENDING GROUP LLC** , as a lender ("***Siena***" and together with any other financial institutions who become part to the Loan Agreement referred to below from time to time, each a "***Lender***" and collectively, the " ***Lenders***") and **SIENA LENDING GROUP LLC** , as administrative and collateral agent for the Lenders (in such capacity, the "***Agent***"). Terms used herein without definition shall have the meanings ascribed to them in the Loan Agreement defined below.

RECITALS

A. Agent, Lenders and Borrowers have previously entered into that certain Loan and Security Agreement dated as of July 30, 2021 (as amended, modified and supplemented from time to time, the "***Loan Agreement***"), pursuant to which Lenders have made certain loans and financial accommodations available to Borrowers.

B. iMedia wishes to enter into a certain Securities Purchase Agreement (the " ***GCP SPA***"), dated on or about the date hereof, between iMedia and Growth Capital Partners, LLC ("***Investor***"), pursuant to which iMedia will issue and sell to Investor a convertible promissory note in the original principal amount of $10,600,000.00 (the "***GCP Note***"), which is convertible into shares of common stock of iMedia at $0.01 par value per share (collectively, the "***GCP Debt Transaction***").

C. Borrowers have requested that Agent and Lenders (i) consent to the Debt Transaction and (ii) amend the Loan Agreement, in each case on the terms and conditions set forth herein.

D. Agent and Lenders are willing to provide such consent and Agent, Lenders and Borrowers now wish to amend the Loan Agreement, in each case on the terms and conditions set forth herein.

E. Borrowers are entering into this Amendment with the understanding and agreement that, except as specifically provided herein, none of Agent's or any Lender's rights or remedies as set forth in the Loan Agreement or any other Loan Document are being waived or modified by the terms of this Amendment.

AGREEMENT

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

1. Amendments to Loan Agreement.

(a) As of the effective date of this Amendment, Section 5.15(i) of the Loan Agreement is hereby amended and restated in its entirety as follows:

(i) **Notification of Certain Changes**. Borrowers will promptly (and in no case later than the earlier of (i) five (5) Business Days after the occurrence of any of the following and (ii) such other date that such information is required to be delivered pursuant to this Agreement or any other Loan Document) notify Agent in writing of: (i) the occurrence of any Default or Event of Default, (ii) the occurrence of any event that has had, or could reasonably be expected to have, a Material Adverse Effect, (iii) receiving any Redemption Notice (as defined in the GCP Note) or any other demand for payment under the GCP SPA or GCP Note, (iv) any investigation, action, suit, proceeding or claim (or any development with respect to any existing investigation, action, suit, proceeding or claim) relating to any Loan Party, the Collateral or which could reasonably be expected to have a Material Adverse Effect, (v) any violation or asserted violation of any applicable law (including OSHA or any environmental laws), if an adverse resolution could reasonably be expected to have a Material Adverse Effect or otherwise result in material liability to any Loan Party, (vi) any other event or the existence of any circumstance that has resulted in, or could reasonably be expected to result in a Material Adverse Effect, (vii) any actual or alleged breaches of any Material Contract or termination or threat to terminate any Material Contract or any material amendment to or modification of a Material Contract, or the execution of any new Material Contract by any Loan Party, (viii) any change in any Loan Party's certified accountant and (ix) promptly upon learning thereof, report to Agent all matters materially affecting the value, enforceability or collectability of any portion of the Collateral, including any Borrower's reclamation or repossession of, or the return to any Borrower of, a material amount of goods or claims or disputes asserted by any Customer or other obligor. In the event of each such notice under this Section 5.15(i), Borrowers shall give notice to Agent of the action or actions that each Loan Party has taken, is taking, or proposes to take with respect to the event or events giving rise to such notice obligation.

(b) As of the effective date of this Amendment, Section 7.1 of the Loan Agreement is hereby amended to add the following clause (s) as follows:

"(s) (i) any Event of Default (as defined in the GCP Note) has occurred and is continuing under the GCP Note; or (ii) a redemption or other required payment becomes due and owing under the GCP Note and iMedia is unable to satisfy such redemption or other payment with the use of Conversion Shares (as defined in the GCP Note).

(c) As of the effective date of this Amendment, Schedule B of the Loan Agreement is hereby amended to add the following new definitions in the appropriate alphabetical order:

"***GCP SPA***" means the Securities Purchase Agreement, dated on or about April 18, 2022, between iMedia and Growth Capital Partners, LLC, pursuant to which iMedia will issue and sell to Growth Capital Partners, LLC the GCP Note.

"***GCP Note***" means a convertible promissory note dated on or about April 18, 2022 in the original principal amount of $10,600,000.00 executed by iMedia in favor of Growth Capital Partners, LLC or its successors and assigns.

(d) As of the effective date of this Amendment, Schedule B of the Loan Agreement is hereby amended by amending and restating the definition of "Senior Debt" in its entirety as follows:

"***Senior Debt***" means the sum of (a) outstanding principal amount of all Revolving Loans and issued and outstanding Letters of Credit under this Agreement, (b) the outstanding principal balance of the Term Debt Permitted Indebtedness (c) the outstanding principal balance of the Bond Indebtedness and (d) the outstanding principal balance of Indebtedness under the GCP Note.

2. Consent. Notwithstanding anything to the contrary contained in the Loan Agreement, to the extent Lender's consent is necessary and/or required under the Loan Agreement, Agent and Lenders hereby consent to iMedia's consummation of the GCP Debt Transaction; provided, that within five (5) Business Days after the date of this Amendment Borrowers shall, to the extent necessary, deliver to Agent an updated Information Certificate to reflect to incurrence of debt under the GCP SPA and the GCP Note; provided, further, that Agent, Lenders and Borrowers hereby agree that the GCP Debt Transaction hereafter constitute be "Permitted Indebtedness" and Section 46 of the Information Certificate shall be deemed to be updated to refer to the Indebtedness incurred under the GCP Debt Transaction.

3. Effectiveness of this Amendment. This Amendment shall become effective upon the satisfaction, as determined by Agent, of the following conditions:

(a) Amendment. Agent shall have received this Amendment fully executed by the other parties hereto;

(b) Representations and Warranties. The representations and warranties set forth herein and in the Loan Agreement must true and correct in all material respects (without duplication of materiality qualifiers therein) as of the date hereof (or to the extent any representations or warranties are expressly made solely as of an earlier date, such representations and warranties shall be true and correct in all material respects (without duplication of materiality qualifiers therein) as of such earlier date); and

(c) Other Required Documentation. All other documents and legal matters in connection with the transactions contemplated by this Amendment shall have been delivered or executed or recorded, as reasonably required by Agent in its Permitted discretion.

4. Representations and Warranties. Each Loan Party represents and warrants as follows:

(a) Authority. Such Loan Party has the requisite corporate power and authority to execute and deliver this Amendment, and to perform its obligations hereunder, under the Loan Agreement (as amended or modified hereby) and under the other Loan Documents to which it is a party. The execution, delivery and performance by such Loan Party of this Amendment have been duly approved by all necessary corporate action and no other corporate proceedings are necessary to consummate such transactions.

(b) Enforceability. This Amendment has been duly executed and delivered by each Loan Party. This Amendment, the Loan Agreement (as amended or modified hereby) and each other Loan Document is the legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party in accordance with its terms, and is in full force and effect.

(c) Representations and Warranties. The representations and warranties contained in the Loan Agreement and each other Loan Document (other than any such representations or warranties that, by their terms, are specifically made as of a date other than the date hereof) are correct on and as of the date hereof as though made on and as of the date hereof.

(d) Due Execution. The execution, delivery and performance of this Amendment are within the power of each Loan Party, have been duly authorized by all necessary corporate action, have received all necessary governmental approval, if any, and do not contravene any law or any contractual restrictions binding on any Loan Party.

(e) No Default. No event has occurred and is continuing that constitutes a Default or an Event of Default.

5. Choice of Law. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED THEREIN WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW). FURTHER, THE LAW OF THE STATE OF NEW YORK SHALL APPLY TO ALL DISPUTES OR CONTROVERSIES ARISING OUT OF OR CONNECTED TO OR WITH THIS AMENDMENT AND ALL SUCH RELATED LOAN DOCUMENTS WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW).

6. Counterparts; Facsimile Signatures. This Amendment may be executed in any number of and by different parties hereto on separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by e-mail, Docusign, facsimile or other similar form of electronic transmission shall be deemed to be an original signature hereto.

7. Reference to and Effect on the other Loan Documents.

(a) Upon and after the effectiveness of this Amendment, each reference in the Loan Agreement to "***this Agreement***", "***hereunder***", "***hereof***" or words of like import referring to the Loan Agreement, and each reference in the other Loan Documents to "***the Loan Agreement***", "***thereof***" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as modified and amended hereby.

(b) Except as specifically amended above, the Loan Agreement and all other Loan Documents, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed and shall constitute the legal, valid, binding and enforceable obligations of Borrowers to Agent and Lenders.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of Agent or any Lender under the Loan Agreement or any of the other Loan Documents, nor constitute a waiver of any provision of the Loan Agreement or any of the other Loan Documents.

(d) To the extent that any terms and conditions in any of the other Loan Documents shall contradict or be in conflict with any terms or conditions of the Loan Agreement, after giving effect to this Amendment, such terms and conditions are hereby deemed modified or amended accordingly to reflect the terms and conditions of the Loan Agreement as modified or amended hereby.

8. Integration. This Amendment, together with the Loan Agreement and the other Loan Documents, incorporates all negotiations of the parties hereto with respect to the subject matter hereof and is the final expression and agreement of the parties hereto with respect to the subject matter hereof.

9. Severability. If any part of this Amendment is contrary to, prohibited by, or deemed invalid under Applicable Laws, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible.

10. Guarantors' Acknowledgment. With respect to the amendments to the Loan Agreement effected by this Amendment, each Guarantor hereby acknowledges and agrees to this Amendment and confirms and agrees that its Guaranty (as modified and supplemented in connection with this Amendment) is and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that, upon the effectiveness of, and on and after the date of this Amendment, each reference in such Guaranty to the Loan Agreement, "***thereunder***", "***thereof***" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as amended or modified by this Amendment. Although Lender has informed the Guarantors of the matters set forth above, and each Guarantor has acknowledged the same, each Guarantor understands and agrees that Lender has no duty under the Loan Agreement, any Guaranty or any other agreement with any Guarantor to so notify any Guarantor or to seek such an acknowledgement, and nothing contained herein is intended to or shall create such a duty as to any transaction hereafter.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties have entered into this Amendment as of the date first above written.

BORROWERS:

IMEDIA BRANDS, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

VALUEVISION RETAIL, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

FL ACQUISITION COMPANY

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

PW ACQUISITION COMPANY, LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

VALUEVISION MEDIA ACQUISITIONS, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

TCO, LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

JWH ACQUISITION COMPANY

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

NORWELL TELEVISION, LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

867 GRAND AVENUE LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

VALUEVISION INTERACTIVE, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

GUARANTORS:

VVI FULFILLMENT CENTER, INC.

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

EP PROPERTIES, LLC

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

PORTAL ACQUISITION COMPANY

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: CEO

IMEDIA&123TV HOLDING GMBH

By: /s/ Timothy Peterman
Name: Timothy Peterman
Its: Managing Director

SIENA LENDING GROUP LLC, as Agent

By: /s/ Renee Singer
Name: Renee Singer
Title: Authorized Signatory

By: /s/ Steven Sanicola
Name: Steven Sanicola
Title: Authorized Signatory

SIENA LENDING GROUP LLC, as Lender

By: /s/ Renee Singer
Name: Renee Singer
Title: Authorized Signatory

By: /s/ Steven Sanicola
Name: Steven Sanicola
Title: Authorized Signatory