

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM436416

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Simplify Holdings, LLC		01/29/2016	Limited Liability Company: DELAWARE
RECEIVING PARTY DATA			
Name:	HERCULES TECHNOLOGY GROWTH CAPITAL, INC.		
Street Address:	400 Hamilton Avenue, Suite 310		
City:	Palo Alto		
State/Country:	CALIFORNIA		
Postal Code:	94301		
Entity Type:	Corporation: MARYLAND		
PROPERTY NUMBERS Total: 8			
Property Type	Number	Word Mark	
Serial Number:	86680703	2NDTIME AROUND	
Serial Number:	86680701	2NDTIME AROUND	
Serial Number:	85432795	NO SECOND THOUGHTS	
Serial Number:	85432794	STA SECOND TIME AROUND NO SECOND THOUGHT	
Serial Number:	77922432	STA	
Serial Number:	74352160	SECOND TIME AROUND	
Serial Number:	77447155	RESALE GOES UPSCALE	
Serial Number:	78352518	SECOND TIME AROUND	
CORRESPONDENCE DATA			
Fax Number:	2016786305		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	2015256305		
Email:	dgold@coleschotz.com		
Correspondent Name:	David S. Gold		
Address Line 1:	Court Plaza North, 25 Main Street		
Address Line 4:	Hackensack, NEW JERSEY 07601		
NAME OF SUBMITTER:	David S. Gold		
SIGNATURE:	/David S. Gold/		

OP \$215.00 86680703

DATE SIGNED:

07/25/2017

Total Attachments: 82

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LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT is made and dated as of January 29, 2016 and is entered into by and between SIMPLIFY HOLDINGS, LLC d/b/a SECOND TIME AROUND and 2ND TIME AROUND, a Delaware limited liability company, SIMPLIFY S.T.A., LLC, d/b/a SECOND TIME AROUND and 2ND TIME AROUND, a Delaware limited liability company, STA Rewards, LLC, a Virginia limited liability company and each of their Qualified Subsidiaries (hereinafter collectively referred to as the "Borrower"), the several banks and other financial institutions or entities from time to time parties to this Agreement (collectively, referred to as "Lender") and HERCULES TECHNOLOGY GROWTH CAPITAL, INC., a Maryland corporation, in its capacity as administrative agent for itself and the Lender (in such capacity, the "Agent").

RECITALS

A. Borrower has requested Lender to make available to Borrower a loan in an aggregate principal amount of up to Four Million Dollars (\$4,000,000.00) (the "Term Loan"); and

B. Lender is willing to make the Term Loan on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, Borrower, Agent and Lender agree as follows:

SECTION 1. DEFINITIONS AND RULES OF CONSTRUCTION

1.1 Unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Account Control Agreement(s)" means any agreement entered into by and among the Agent, Borrower and a third party Bank or other institution (including a Securities Intermediary) in which Borrower maintains a Deposit Account or an account holding Investment Property and which grants Agent a perfected first priority security interest in the subject account or accounts.

"ACH Authorization" means the ACH Debit Authorization Agreement in substantially the form of Exhibit H, which account numbers shall be redacted for security purposes if and when filed publicly by the Borrower.

"Advance(s)" means a Term Loan Advance.

"Advance Date" means the funding date of any Advance.

“Advance Request” means a request for an Advance submitted by Borrower to Agent in substantially the form of Exhibit A, which account numbers shall be redacted for security purposes if and when filed publicly by the Borrower.

“Affiliate” means (a) any Person that directly or indirectly controls, is controlled by, or is under common control with the Person in question, (b) any Person directly or indirectly owning, controlling or holding with power to vote ten percent (10%) or more of the outstanding voting securities of another Person, (c) any Person ten percent (10%) or more of whose outstanding voting securities are directly or indirectly owned, controlled or held by another Person with power to vote such securities, or (d) any Person related by blood or marriage to any Person described in subsection (a), (b) or (c) of this paragraph. As used in the definition of “Affiliate,” the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

“Agent” has the meaning given to it in the preamble to this Agreement.

“Agreement” means this Loan and Security Agreement, as amended from time to time.

“Amortization Date” means September 1, 2016; provided however, if Interest Only Extension Condition A is satisfied, then December 1, 2016; and if Interest Only Extension Condition B is satisfied, then March 1, 2017.

“Assignee” has the meaning given to it in Section 11.13.

“Borrower Products” means all products, software, service offerings, technical data or technology currently being designed, manufactured or sold by Borrower or which Borrower intends to sell, license, or distribute in the future including any products or service offerings under development, collectively, together with all products, software, service offerings, technical data or technology that have been sold, licensed or distributed by Borrower since its formation.

“Business Day” means any day other than Saturday, Sunday and any other day on which banking institutions in the State of California are closed for business.

“Cash” means all cash, cash equivalents and liquid funds.

“Change in Control” means any reorganization, recapitalization, consolidation or merger (or similar transaction or series of related transactions) of Borrower, sale or exchange of outstanding shares (or similar transaction or series of related transactions) of Borrower in which the holders of Borrower’s outstanding shares immediately before consummation of such transaction or series of related transactions do not, immediately after consummation of such transaction or series of related transactions, retain shares representing more than fifty percent (50%) of the voting power of the surviving entity of such transaction or series of related transactions (or the parent of such surviving entity if such surviving entity is wholly owned by such parent), in each case without regard to whether Borrower is the surviving entity.

“Claims” has the meaning given to it in Section 11.10.

“Closing Date” means the date of this Agreement.

“Collateral” means the property described in Section 3.

“Compliance Certificate” means the form of compliance certificate in the form of Exhibit F, as updated or modified from time to time;

“Confidential Information” has the meaning given to it in Section 11.12.

“Contingent Obligation” means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to (i) any Indebtedness, capital lease, dividend, letter of credit or other similar obligation of another, including any such obligation directly or indirectly guaranteed, endorsed, co-made or discounted or sold with recourse by that Person, or in respect of which that Person is otherwise directly or indirectly liable; (ii) any obligations with respect to undrawn letters of credit, corporate credit cards or merchant services issued for the account of that Person; and (iii) all obligations arising under any interest rate, currency or commodity swap agreement, interest rate cap agreement, interest rate collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; provided, however, that the term “Contingent Obligation” shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determined amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith; provided, however, that such amount shall not in any event exceed the maximum amount of the obligations under the guarantee or other support arrangement.

“Copyright License” means any written agreement granting any right to use any Copyright or Copyright registration, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

“Copyrights” means all copyrights, whether registered or unregistered, held pursuant to the laws of the United States, any State thereof, or of any other country.

“Deposit Accounts” means any “deposit accounts,” as such term is defined in the UCC, and includes any checking account, savings account, or certificate of deposit.

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

“Due Diligence Fee” means \$10,000, which fee has been paid to Lender, and shall be deemed fully earned on such date regardless of the early termination of this Agreement.

“EBITDA” means earnings before interest, taxes, depreciation and amortization and adjusted by adding thereto any non-cash equity charges or any non-cash, non-recurring charges reasonably acceptable to Agent and Lender.

“Eligible Foreign Subsidiary” means any Foreign Subsidiary whose execution of a Joinder Agreement would not result in a material adverse tax consequence to Borrower.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

“Event of Default” has the meaning given to it in Section 9.

“Facility Charge” means \$40,000, representing one percent (1.0%) of the Maximum Term Loan Amount.

“Financial Statements” has the meaning given to it in Section 7.1.

“Foreign Subsidiary” means any Subsidiary other than a Subsidiary organized under the laws of any state within the United States.

“Free Cash Flow” means net income, plus depreciation and amortization, plus non-cash equity charges, plus any cash generated from working capital, minus any cash used to fund working capital, minus any cash used to fund capital expenditures (inclusive of capital expenditures associated with new store build-outs).

“GAAP” means generally accepted accounting principles in the United States of America, as in effect from time to time.

“Indebtedness” means indebtedness of any kind, including (a) all indebtedness for borrowed money or the deferred purchase price of property or services (excluding trade credit entered into in the ordinary course of business due within ninety (90) days), including reimbursement and other obligations with respect to surety bonds and letters of credit, (b) all obligations evidenced by notes, bonds, debentures or similar instruments, (c) all capital lease obligations, and (d) all Contingent Obligations.

“Insolvency Proceeding” is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other similar relief.

“Intellectual Property” means all of Borrower’s Copyrights; Trademarks; Patents; Licenses; domain names; trade secrets and inventions; mask works; Social Media Assets; Borrower’s applications therefor and reissues, extensions, or renewals thereof; and Borrower’s goodwill associated with any of the foregoing, together with Borrower’s rights to sue for past, present and future infringement of Intellectual Property and the goodwill associated therewith.

“Intellectual Property Security Agreement” means that certain intellectual property security agreement entered into by and among Agent and Borrower in connection with the Loan, as may be amended, restated or modified from time to time.

“Interest Only Extension Condition A” shall mean satisfaction of each of the following events: (a) no default or Event of Default shall have occurred; and (b) Borrower shall

have achieved at least \$9,512,000 in Overall Revenue and losses not greater than \$110,000 in store/e-commerce contributions (as shown on line 16 of the Plan) on a year-to-date basis for the period commencing January 1, 2016 through June 30, 2016 (representing 90% of projected Overall Revenue and store/e-commerce contributions shown in the Plan).

“Interest Only Extension Condition B” shall mean satisfaction of each of the following events: (a) no default or Event of Default shall have occurred; (b) Borrower shall have achieved Interest Only Extension Condition A; and (c) Borrower shall have achieved at least \$16,500,000 in Overall Revenue and at least \$508,000 in store/e-commerce contributions (as shown on line 16 of the Plan) on a year-to-date basis for the period commencing January 1, 2016 through September 30, 2016 (representing 90% of projected Overall Revenue and store/e-commerce contributions shown in the Plan).

“Investment” means any beneficial ownership (including stock, partnership or limited liability company interests) of or in any Person, or any loan, advance or capital contribution to any Person or the acquisition of all, or substantially all, of the assets of another Person.

“Joinder Agreements” means for each Qualified Subsidiary, a completed and executed Joinder Agreement in substantially the form attached hereto as Exhibit G.

“Lender” has the meaning given to it in the preamble to this Agreement.

“License” means any Copyright License, Patent License, Trademark License, domain name license or other license of rights or interests.

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

“Loan” means the Advances made under this Agreement.

“Loan Documents” means this Agreement, the Notes (if any), the ACH Authorization, the Account Control Agreements, the Intellectual Property Security Agreement, the Joinder Agreements, all financing statements filed pursuant to the UCC, the Subordination Agreement (if any), and any other documents executed in connection with the Secured Obligations or the transactions contemplated hereby, as the same may from time to time be amended, modified, supplemented or restated.

“Material Adverse Effect” means a material adverse effect upon: (i) the business, operations, properties, assets or financial condition of Borrower and its Subsidiaries taken as a whole; or (ii) the ability of Borrower to perform or pay the Secured Obligations in accordance with the terms of the Loan Documents, or the ability of Agent or Lender to enforce any of its rights or remedies with respect to the Secured Obligations; or (iii) the Collateral or Agent’s Liens on the Collateral or the priority of such Liens; provided that any act or omission arising from the Lender’s or Agent’s gross negligence or willful misconduct shall not be considered in determining whether a Material Adverse Effect has occurred.

“Maximum Term Loan Amount” means Four Million and No/100 Dollars (\$4,000,000.00).

“Maximum Rate” shall have the meaning assigned to such term in Section 2.3.

“Net Revenue” means total cash and credit collections from the sale of merchandise to customers prior to payment of consignor fees, but net of redeemed coupons, discounts and other credit offsets.

“Note(s)” means a Term Note.

“Overall Revenue” means consolidated, total Net Revenue.

“Patent License” means any written agreement granting any right with respect to any invention on which a Patent is in existence or a Patent application is pending, in which agreement Borrower now holds or hereafter acquires any interest.

“Patents” means all letters patent of, or rights corresponding thereto, in the United States or in any other country, all registrations and recordings thereof, and all applications for letters patent of, or rights corresponding thereto, in the United States or any other country.

“Performance Milestone” means Borrower’s achievement of both (i) at least \$17,417,000 of Overall Revenue on a year to date basis for the period commencing January 1, 2016 through September 30, 2016 (representing 95% of projected Overall Revenue shown in the Plan); and (ii) EBITDA equal to or greater than \$0 on a trailing three month basis as of September 30, 2016.

“Permitted Distributions” means (i) repurchases of equity interests not to exceed \$100,000 in the aggregate, (ii) dividends or other distributions payable solely in equity interests of Borrower or a Subsidiary, and (iii) so long as no Event of Default has occurred or is continuing, distributions of Cash not to exceed \$165,000 in the aggregate on an annual basis to GEI Fund V, LP, its Affiliates, or the transferees of its rights to receive fees, for the payment of management and advisory fees pursuant to that certain First Amended and Restated Management Services Agreement between Generation Equity, Inc. and the Company, dated as of July 21, 2010, which shall not be amended in any manner that increases the fee structure or is otherwise materially adverse to the interests of Agent and Lender.

“Permitted Indebtedness” means: (i) Indebtedness of Borrower in favor of Lender or Agent arising under this Agreement or any other Loan Document; (ii) Indebtedness existing on the Closing Date which is disclosed in Schedule 1A; (iii) Indebtedness of up to \$100,000 outstanding at any time secured by a Lien described in clause (vii) of the defined term “Permitted Liens,” provided such Indebtedness does not exceed the cost of the Equipment financed with such Indebtedness; (iv) Indebtedness to trade creditors incurred in the ordinary course of business; (v) Indebtedness incurred in the ordinary course of business with corporate credit cards and in connection with obligations to merchant card processing vendors, as more particularly described on Schedule 1A, not to exceed the amounts shown therein; (vi) Indebtedness that also constitutes a Permitted Investment; (vii) Subordinated Indebtedness; (viii) reimbursement obligations in connection with letters of credit that are secured by Cash and issued on behalf of the Borrower or

a Subsidiary thereof in an amount not to exceed \$200,000 at any time outstanding; (ix) other Indebtedness in an amount not to exceed \$100,000 at any time outstanding; (x) intercompany Indebtedness as long as either (A) each of the Subsidiary obligor and the Subsidiary obligee under such Indebtedness is a Qualified Subsidiary that has executed a Joinder Agreement, (xi) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business, and (xii) extensions, refinancings and renewals of any items of Permitted Indebtedness, provided that the principal amount is not increased or the terms modified to impose materially more burdensome terms upon Borrower or its Subsidiary, as the case may be.

“Permitted Investment” means: (i) Investments existing on the Closing Date which are disclosed in Schedule 1B; (ii) (a) marketable direct obligations issued or unconditionally guaranteed by the United States of America or any agency or any State thereof maturing within one year from the date of acquisition thereof, (b) commercial paper maturing no more than one year from the date of creation thereof and currently having a rating of at least A-2 or P-2 from either Standard & Poor's Corporation or Moody's Investors Service, (c) certificates of deposit issued by any bank with assets of at least \$500,000,000 maturing no more than one year from the date of investment therein, and (d) money market accounts; (iii) repurchases of membership interests from former employees, directors, or consultants of Borrower under the terms of applicable repurchase agreements in an aggregate amount not to exceed \$250,000 in any fiscal year, provided that no Event of Default has occurred, is continuing or would exist after giving effect to the repurchases; (iv) Investments accepted in connection with Permitted Transfers; (v) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of Borrower's business; (vi) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business, provided that this subparagraph (vi) shall not apply to Investments of Borrower in any Subsidiary; (vii) Investments consisting of loans not involving the net transfer on a substantially contemporaneous basis of cash proceeds to employees, officers or directors relating to the purchase of membership interests of Borrower pursuant to employee membership interest purchase plans or other similar agreements approved by Borrower's Board of Directors; (viii) Investments consisting of travel advances in the ordinary course of business; (ix) Investments in newly-formed Domestic Subsidiaries, provided that each such Domestic Subsidiary enters into a Joinder Agreement promptly after its formation by Borrower and execute such other documents as shall be reasonably requested by Agent; (x) Investments in Foreign Subsidiaries approved in advance in writing by Agent; (xi) joint ventures or strategic alliances in the ordinary course of Borrower's business consisting of the nonexclusive licensing of technology, the development of technology or the providing of technical support, provided that any cash Investments by Borrower do not exceed \$100,000 in the aggregate in any fiscal year; (xii) Investments in Cash; (xiii) Investments in the Borrower or any Qualified Subsidiary; and (xiv) additional Investments that do not exceed \$100,000 in the aggregate.

“Permitted Liens” means any and all of the following: (i) Liens in favor of Agent or Lender; (ii) Liens existing on the Closing Date which are disclosed in Schedule 1C; (iii) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or being

contested in good faith by appropriate proceedings; provided, that Borrower maintains adequate reserves therefor in accordance with GAAP; (iv) Liens securing claims or demands of materialmen, artisans, mechanics, carriers, warehousemen, landlords and other like Persons arising in the ordinary course of Borrower's business and imposed without action of such parties; provided, that the payment thereof is not yet required; (v) Liens arising from judgments, decrees or attachments in circumstances which do not constitute an Event of Default hereunder; (vi) the following deposits, to the extent made in the ordinary course of business: deposits under worker's compensation, unemployment insurance, social security and other similar laws, or to secure the performance of bids, tenders or contracts (other than for the repayment of borrowed money) or to secure indemnity, performance or other similar bonds for the performance of bids, tenders or contracts (other than for the repayment of borrowed money) or to secure statutory obligations (other than Liens arising under ERISA or environmental Liens) or surety or appeal bonds, or to secure indemnity, performance or other similar bonds; (vii) Liens on Equipment or software or other intellectual property constituting purchase money Liens and Liens in connection with capital leases securing Indebtedness permitted in clause (iii) of "Permitted Indebtedness"; (viii) Liens incurred in connection with Subordinated Indebtedness; (ix) leasehold interests in leases or subleases and licenses granted in the ordinary course of business and not interfering in any material respect with the business of the licensor; (x) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of custom duties that are promptly paid on or before the date they become due; (xi) Liens on insurance proceeds securing the payment of financed insurance premiums that are promptly paid on or before the date they become due (provided that such Liens extend only to such insurance proceeds and not to any other property or assets); (xii) statutory and common law rights of set-off and other similar rights as to deposits of cash and securities in favor of banks, other depository institutions and brokerage firms; (xiii) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business so long as they do not materially impair the value or marketability of the related property; (xiv) (A) Liens on Cash securing obligations permitted under clause (viii) of the definition of Permitted Indebtedness and (B) security deposits in connection with real property leases, the combination of (A) and (B) in an aggregate amount not to exceed \$200,000 at any time; and (xv) Liens incurred in connection with the extension, renewal or refinancing of the Indebtedness secured by Liens of the type described in clauses (i) through (xi) above; provided, that any extension, renewal or replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the Indebtedness being extended, renewed or refinanced (as may have been reduced by any payment thereon) does not increase.

"Permitted Transfers" means (i) sales of Inventory in the ordinary course of business, (ii) non-exclusive licenses and similar arrangements for the use of Intellectual Property in the ordinary course of business and licenses that could not result in a legal transfer of title of the licensed property but that may be exclusive in respects other than territory and that may be exclusive as to territory only as to discrete geographical areas outside of the United States in the ordinary course of business, (iii) dispositions of worn-out, obsolete or surplus Equipment at fair market value in the ordinary course of business, (iv) Transfers of assets to Borrower or any Qualified Subsidiary, (v) Transfers pursuant to sale and leaseback arrangements otherwise permitted hereunder, and (vi) other Transfers of assets having a fair market value of not more than \$100,000 in the aggregate in any fiscal year.

“Person” means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, institution, other entity or government.

“Plan” means, for Borrower’s 2016 fiscal year, the projections approved by Borrower’s board attached hereto as Exhibit I (to be updated annually), and thereafter, Borrower’s financial and business projections and forecasts delivered for the applicable fiscal year in accordance with Section 7.1(h) and accepted by Agent and Lender in their reasonable discretion.

“Prepayment Charge” shall have the meaning assigned to such term in Section 2.5.

“Qualified Subsidiary” means any direct or indirect Domestic Subsidiary or Eligible Foreign Subsidiary.

“Receivables” means (i) all of Borrower’s Accounts (including without limitation credit card settlement amounts in transit), Instruments, Documents, Chattel Paper, Supporting Obligations, letters of credit, proceeds of any letter of credit, and Letter of Credit Rights, and (ii) all customer lists, software, and business records related thereto.

“Required Lenders” means at any time, the holders of more than 50% of aggregate unpaid principal amount of the Term Loans then outstanding.

“Same Store Sales Revenue” means Net Revenue generated by retail stores that have been operating for at least thirteen (13) months.

“SBA” shall have the meaning assigned to such term in Section 7.15.

“SBIC” shall have the meaning assigned to such term in Section 7.15.

“SBIC Act” shall have the meaning assigned to such term in Section 7.15.]

“Secured Obligations” means Borrower’s obligations under this Agreement and any Loan Document, including any obligation to pay any amount now owing or later arising.

“Social Media Assets” means all profiles and accounts for and data derived from Borrower’s relationship networks, media sharing networks, discussion forums, social publishing platforms, bookmarking sites, internet based networks, ecommerce sites and partnership and other online assets.

“Subordinated Indebtedness” means Indebtedness subordinated to the Secured Obligations in amounts and on terms and conditions satisfactory to Agent in its sole discretion.

“Subordination Agreement” means any written subordination agreement among Borrower, Agent the subordinating creditor thereunder regarding specific Subordinated Indebtedness, as applicable.

“Subsequent Financing” means the closing of the first round of Borrower financing with proceeds of at least \$1,000,000 that closes after Borrower’s completion of the round of equity financing described in Section 7.18 hereof.

“Subsidiary” means an entity, whether corporate, partnership, limited liability company, joint venture or otherwise, in which Borrower owns or controls 50% or more of the outstanding voting securities, and any series of Borrower, including each entity listed on Schedule 1 hereto.

“Term Commitment” means as to any Lender, the obligation of such Lender, if any, to make a Term Loan Advance to the Borrower in a principal amount not to exceed the amount set forth under the heading “Term Commitment” opposite such Lender’s name on Schedule 1.1.

“Term Loan Advance” means any Term Loan funds advanced under this Agreement.

“Term Loan Interest Rate” means for any day a per annum rate of interest equal to the greater of either (i) 10.75% plus the prime rate as reported in The Wall Street Journal minus 3.50%, and (ii) 10.75%.

“Term Loan Maturity Date” means February 1, 2019.

“Term Note” means a Promissory Note in substantially the form of Exhibit B.

“Trademark License” means any written agreement granting any right to use any Trademark or Trademark registration, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

“Trademarks” means all trademarks (registered, common law or otherwise) and any applications in connection therewith, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof.

“Tranche A Term Loan Advance” means a Term Loan Advance of \$2,500,000 advanced on the Closing Date, to be used for general corporate purposes.

“Tranche B Term Loan Advance” means a Term Loan Advance of \$1,500,000, subject to Borrower’s prior achievement of the Performance Milestone.

“UCC” means the Uniform Commercial Code as the same is, from time to time, in effect in the State of California; provided, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, Agent’s Lien on any Collateral is governed by the Uniform Commercial Code as the same is, from time to time, in effect in a jurisdiction other than the State of California, then the term “UCC” shall mean the Uniform Commercial Code as in effect, from time to time, in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions.

Unless otherwise specified, all references in this Agreement or any Annex or Schedule hereto to a "Section," "subsection," "Exhibit," "Annex," or "Schedule" shall refer to the corresponding Section, subsection, Exhibit, Annex, or Schedule in or to this Agreement. Unless otherwise specifically provided herein, any accounting term used in this Agreement or the other Loan Documents shall have the meaning customarily given such term in accordance with GAAP, and all financial computations hereunder shall be computed in accordance with GAAP, consistently applied. Unless otherwise defined herein or in the other Loan Documents, terms that are used herein or in the other Loan Documents and defined in the UCC shall have the meanings given to them in the UCC.

SECTION 2. THE LOAN

2.1 [Intentionally Omitted.]

2.2 Term Loan.

(a) Advances. Subject to the terms and conditions of this Agreement, Lender will severally (and not jointly) make in an amount not to exceed its respective Term Commitment, and Borrower agrees to draw, the Tranche A Term Loan Advance of \$2,500,000 on the Closing Date. Beginning on the date Borrower achieves the Performance Milestone, and continuing through December 15, 2016, and provided no default or Event of Default shall have occurred, Borrower may request the Tranche B Term Loan Advance in the amount of \$1,500,000. The aggregate outstanding Term Loan Advances may be up to the Maximum Term Loan Amount. Once repaid, Term Loan Advances may not be re-borrowed.

(b) Advance Request. To obtain a Term Loan Advance, Borrower shall complete, sign and deliver an Advance Request (at least three (3) Business Days before the Advance Date other than the Closing Date, which may be the same day so long as it is before the applicable funding deadline) to Agent. Lender shall fund the Term Loan Advance in the manner requested by the Advance Request provided that each of the conditions precedent to such Term Loan Advance is satisfied as of the requested Advance Date.

(c) Interest. The principal balance shall bear interest thereon from such Advance Date at the Term Loan Interest Rate based on a year consisting of 360 days, with interest computed daily based on the actual number of days elapsed. The Term Loan Interest Rate will float and change on the day the prime rate changes from time to time.

(d) Payment. Borrower will pay interest on each Term Loan Advance on the first Business Day of each month, beginning the month after the Advance Date. Borrower shall repay the aggregate Term Loan principal balance that is outstanding on the day immediately preceding the Amortization Date, in equal monthly installments of principal and interest (mortgage style) beginning on the Amortization Date and continuing on the first Business Day of each month thereafter until the Secured Obligations (other than inchoate indemnity obligations) are repaid. The entire Term

Loan principal balance and all accrued but unpaid interest hereunder, shall be due and payable on Term Loan Maturity Date. Borrower shall make all payments under this Agreement without setoff, recoupment or deduction and regardless of any counterclaim or defense. Lender will initiate debit entries to the Borrower's account as authorized on the ACH Authorization (i) on each payment date of all periodic obligations payable to Lender under each Term Advance and (ii) out-of-pocket legal fees and costs incurred by Agent or Lender in connection with Section 11.11 of this Agreement.

2.3 Maximum Interest. Notwithstanding any provision in this Agreement or any other Loan Document, it is the parties' intent not to contract for, charge or receive interest at a rate that is greater than the maximum rate permissible by law that a court of competent jurisdiction shall deem applicable hereto (which under the laws of the State of California shall be deemed to be the laws relating to permissible rates of interest on commercial loans) (the "Maximum Rate"). If a court of competent jurisdiction shall finally determine that Borrower has actually paid to Lender an amount of interest in excess of the amount that would have been payable if all of the Secured Obligations had at all times borne interest at the Maximum Rate, then such excess interest actually paid by Borrower shall be applied as follows: first, to the payment of the Secured Obligations consisting of the outstanding principal; second, after all principal is repaid, to the payment of Lender's accrued interest, costs, expenses, and professional fees, in each case for which Borrower is responsible hereunder, and any other Secured Obligations; and third, after all Secured Obligations are repaid, the excess (if any) shall be refunded to Borrower.

2.4 Default Interest. In the event any payment is not paid on the scheduled payment date, an amount equal to four percent (4%) of the past due amount shall be payable on demand. In addition, upon the occurrence and during the continuation of an Event of Default hereunder, all Secured Obligations, including principal, interest, compounded interest, and professional fees, shall bear interest at a rate per annum equal to the rate set forth in Section 2.2(c), plus five percent (5%) per annum. In the event any interest is not paid when due hereunder, delinquent interest shall be added to principal and shall bear interest on interest, compounded at the rate set forth in Section 2.2(c) or Section 2.4, as applicable.

2.5 Prepayment. At its option upon at least seven (7) Business Days prior notice to Agent, Borrower may prepay all or part of the outstanding Advances, including the principal balance of such Advances, together with all accrued and unpaid interest thereon, together with a prepayment charge equal to the following percentage of the Advance amount being prepaid: if such Advance amounts are prepaid in any of the first twelve (12) months following the Closing Date, 3.0%; after twelve (12) months but prior to twenty four (24) months, 2.0%; and thereafter, 1.0% (each, a "Prepayment Charge"); provided that any prepayment shall be in a minimum principal amount of \$500,000 or a multiple of \$50,000 in excess thereof. Borrower agrees that the Prepayment Charge is a reasonable calculation of Lender's lost profits in view of the difficulties and impracticality of determining actual damages resulting from an early repayment of the Advances. Borrower shall prepay the outstanding amount of all principal and accrued interest through the prepayment date and the Prepayment Charge upon the occurrence of a Change in Control. Notwithstanding the foregoing, Agent and Lender agree to waive the Prepayment Charge if Agent and Lender (in

its sole and absolute discretion) agree in writing to refinance the Advances prior to the Maturity Date.

2.6 End of Term Charge. On the earliest to occur of (i) the Term Loan Maturity Date, (ii) the date that Borrower prepays the outstanding Secured Obligations (other than any inchoate indemnity obligations and any other obligations which, by their terms, are to survive the termination of this Agreement) in full, or (iii) the date that the Secured Obligations become due and payable, Borrower shall pay Lender a charge of \$110,000. Notwithstanding the required payment date of such charge, it shall be deemed earned by Lender as of the Closing Date.

2.7 Notes. If so requested by Lender by written notice to Borrower, then Borrower shall execute and deliver to Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of Lender pursuant to Section 11.13) (promptly after the Borrower's receipt of such notice) a Note or Notes to evidence Lender's Loans.

2.8 Pro Rata Treatment. Each payment (including prepayment) on account of any fee and any reduction of the Term Loans shall be made pro rata according to the Term Commitments of the relevant Lender.

SECTION 3. SECURITY INTEREST

3.1 As security for the prompt and complete payment when due (whether on the payment dates or otherwise) of all the Secured Obligations, Borrower grants to Agent a security interest in all of Borrower's right, title, and interest in and to the following personal property whether now owned or hereafter acquired (collectively, the "Collateral"): (a) Receivables; (b) Equipment; (c) Fixtures; (d) General Intangibles, including without limitation Intellectual Property; (e) Inventory; (f) Investment Property; (g) Deposit Accounts; (h) Cash; (i) Goods; and all other tangible and intangible personal property of Borrower whether now or hereafter owned or existing, leased, consigned by or to, or acquired by, Borrower and wherever located, and any of Borrower's property in the possession or under the control of Agent; and, to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing.

3.2 Notwithstanding the broad grant of the security interest set forth in Section 3.1, above, the Collateral shall not include (a) any "intent to use" trademarks at all times prior to the first use thereof, whether by the actual use thereof in commerce, the recording of a statement of use with the United States Patent and Trademark Office or otherwise, (b) nonassignable licenses or contracts, which by their terms require the consent of the licensor thereof or another party (but only to the extent such prohibition on transfer is enforceable under applicable law, including, without limitation, Sections 9406, 9407 and 9408 of the UCC), (c) any voting stock of any direct subsidiary of Borrower that is a controlled foreign corporation (as defined in Section 957 of the Internal Revenue Code (a "CFC")) in excess of 65% of the total combined voting power of all classes of stock of such CFC that are entitled to vote, and (d) any other asset or property to the extent that a grant of a security

interest thereon is prohibited by applicable law, rule or regulation, or requires the consent of any governmental authority.

SECTION 4. CONDITIONS PRECEDENT TO LOAN

The obligations of Lender to make the Loan hereunder are subject to the satisfaction by Borrower of the following conditions:

4.1 Initial Advance. On or prior to the Closing Date, Borrower shall have delivered to Agent the following:

(a) executed copies of the Loan Documents, Account Control Agreements, and all other documents and instruments reasonably required by Agent to effectuate the transactions contemplated hereby or to create and perfect the Liens of Agent with respect to all Collateral, in all cases in form and substance reasonably acceptable to Agent; provided that, in the event that certain of the Account Control Agreements cannot reasonably be obtained prior to the Closing Date, then Borrower shall obtain such Account Control Agreements in accordance with Schedule 7.19 following the Closing Date, and the failure to deliver such Account Control Agreements prior to the Closing Date shall not be deemed a failure to satisfy this Section 4.1(a);

(b) certified copy of resolutions of Borrower's board of directors evidencing approval of the Loan and other transactions evidenced by the Loan Documents;

(c) certified copies of the Articles of Organization and the Operating Agreement, as amended through the Closing Date, of Borrower;

(d) a certificate of good standing for Borrower from its state of formation and similar certificates from all other jurisdictions in which it does business and where the failure to be qualified would have a Material Adverse Effect;

(e) payment of the Facility Charge and reimbursement of Agent's and Lender's current expenses reimbursable pursuant to this Agreement, which amounts may be deducted from the initial Advance;

(f) certificates evidencing the insurance required pursuant to Section 6; and

(g) such other documents as Agent may reasonably request.

4.2 All Advances. On each Advance Date:

(a) Agent shall have received (i) an Advance Request for the relevant Advance as required by 2.2(b), each duly executed by Borrower's Chief Executive Officer or Chief Financial Officer, and (ii) any other documents Agent may reasonably request.

(b) The representations and warranties set forth in this Agreement shall be true and correct in all material respects on and as of the Advance Date with the same

effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date.

(c) Borrower shall be in compliance with all the terms and provisions set forth herein and in each other Loan Document on its part to be observed or performed, and at the time of and immediately after such Advance no Event of Default shall have occurred and be continuing.

(d) Each Advance Request shall be deemed to constitute a representation and warranty by Borrower on the relevant Advance Date as to the matters specified in paragraphs (b) and (c) of this Section 4.2 and as to the matters set forth in the Advance Request.

4.3 No Default. As of the Closing Date and each Advance Date, (i) no fact or condition exists that would (or would, with the passage of time, the giving of notice, or both) constitute an Event of Default and (ii) no event that has had or could reasonably be expected to have a Material Adverse Effect has occurred and is continuing.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF BORROWER

Borrower represents and warrants that:

5.1 Corporate Status. Borrower is a limited liability company duly organized, legally existing and in good standing under the laws of the State of Delaware, and is duly qualified as a foreign limited liability company in all jurisdictions in which the nature of its business or location of its properties require such qualifications and where the failure to be qualified could reasonably be expected to have a Material Adverse Effect. Borrower's present name, former names (if any), locations, place of formation, tax identification number, organizational identification number and other information are correctly set forth in Exhibit C, as may be updated by Borrower in a written notice (including any Compliance Certificate) provided to Agent after the Closing Date.

5.2 Collateral. Borrower owns or has a valid leasehold interest in the Collateral, free of all Liens, except for Permitted Liens. Borrower has the power and authority to grant to Agent a Lien in the Collateral as security for the Secured Obligations .

5.3 Consents. Borrower's execution, delivery and performance of this Agreement and all other Loan Documents (i) have been duly authorized by all necessary corporate action of Borrower, (ii) will not result in the creation or imposition of any Lien upon the Collateral, other than Permitted Liens and the Liens created by this Agreement and the other Loan Documents, (iii) do not violate any provisions of Borrower's Articles of Organization, Operating Agreement, or any, law, regulation, order, injunction, judgment, decree or writ to which Borrower is subject and (iv) except as described on Schedule 5.3, do not violate any contract or agreement or require the consent or approval of any other Person which has not already been obtained. The individual or individuals executing the Loan Documents are duly authorized to do so.

5.4 **Material Adverse Effect.** No event that has had or could reasonably be expected to have a Material Adverse Effect has occurred and is continuing. Borrower is not aware of any event likely to occur that is reasonably expected to result in a Material Adverse Effect.

5.5 **Actions Before Governmental Authorities.** There are no actions, suits or proceedings at law or in equity or by or before any governmental authority now pending or, to the knowledge of Borrower, threatened against or affecting Borrower or its property, that is reasonably expected to result in a Material Adverse Effect.

5.6 **Laws.** Borrower is not in violation of any law, rule or regulation, or in default with respect to any judgment, writ, injunction or decree of any governmental authority, where such violation or default is reasonably expected to result in a Material Adverse Effect. Borrower is not in default in any manner under any provision of any agreement or instrument evidencing Indebtedness, or any other agreement to which it is a party or by which it is bound, where such default is reasonably expected to result in a Material Adverse Effect. Borrower, its Affiliates and, to the knowledge of the Borrower and its Affiliates, any agent or other party acting on behalf of Borrower or its Affiliates are in compliance with all applicable anti-money laundering, economic sanctions and anti-bribery laws and regulations, and none of the funds to be provided under this Agreement will be used, directly or indirectly, for any activities in violation of such laws and regulations.

5.7 **Information Correct and Current.** No information, report, Advance Request, financial statement, exhibit or schedule furnished, by or on behalf of Borrower to Agent in connection with any Loan Document or included therein or delivered pursuant thereto contained, or, when taken as a whole, contains any material misstatement of fact or, when taken together with all other such information or documents, omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were or are made, not materially misleading at the time such statement was made or deemed made. Additionally, any and all financial or business projections provided by Borrower to Agent, whether prior to or after the Closing Date, shall be (i) provided in good faith and based on the most current data and information available to Borrower, and (ii) the most current of such projections provided to Borrower's Board of Directors (it being understood that such projections are subject to significant uncertainties and contingencies, many of which are beyond the control of Borrower, that no assurance is given that any particular projections will be realized, that actual results may differ).

5.8 **Tax Matters.** Except as described on Schedule 5.8 and except those being contested in good faith with adequate reserves under GAAP, (a) Borrower has filed all material federal, state and local tax returns that it is required to file, (b) Borrower has duly paid or fully reserved for all taxes (including without limitation sales taxes in all jurisdictions) or installments thereof (including without limitation any interest or penalties) as and when due, which have or, to the best knowledge of Borrower, are expected to become due pursuant to such returns, and (c) Borrower has paid or fully reserved for any tax assessment received by Borrower for the three (3) years preceding the Closing Date, if any (including any taxes being contested in good faith and by appropriate proceedings).

5.9 Intellectual Property Claims. Borrower is the sole owner of, or otherwise has the right to use, the Intellectual Property material to Borrower's business. Except as described on Schedule 5.9, (i) to the best knowledge of Borrower, each of the material Copyrights, Trademarks, Patents and domain names owned by Borrower is valid and enforceable, (ii) no material part of the Intellectual Property has been judged invalid or unenforceable, in whole or in part, (iii) no claim has been made to Borrower that any material part of the Intellectual Property violates the rights of any third party, and (iv) Borrower has the right to use the Social Media Assets. Exhibit D is a true, correct and complete list of each of Borrower's Patents, registered Trademarks, registered Copyrights, domain names, Social Media Assets and material agreements under which Borrower licenses Intellectual Property from third parties (other than shrink-wrap software licenses), together with application or registration numbers, as applicable, owned by Borrower or any Subsidiary, in each case as of the Closing Date. Borrower is not in material breach of, nor has Borrower failed to perform any material obligations under, any of the foregoing contracts, licenses or agreements and, to Borrower's knowledge, no third party to any such contract, license or agreement is in material breach thereof or has failed to perform any material obligations thereunder.

5.10 Intellectual Property. Except as described on Schedule 5.10, Borrower has all material rights with respect to Intellectual Property necessary or material in the operation or conduct of Borrower's business as currently conducted and proposed to be conducted by Borrower. Without limiting the generality of the foregoing, and in the case of Licenses, except for restrictions that are unenforceable under Division 9 of the UCC, Borrower has the right, to the extent required to operate Borrower's business, to freely transfer, license or assign Intellectual Property necessary or material in the operation or conduct of Borrower's business as currently conducted and proposed to be conducted by Borrower, without condition, restriction or payment of any kind (other than license payments in the ordinary course of business) to any third party, and Borrower owns or has the right to use, pursuant to valid licenses, all software development tools, library functions, compilers and all other third-party software and other items that are material to Borrower's business and used in the design, development, promotion, sale, license, manufacture, import, export, use or distribution of Borrower Products except, in each case, for customary covenants in inbound license agreements and equipment leases where Borrower is the licensee or lessee.

5.11 Borrower Products. Except as described on Schedule 5.11, no Intellectual Property owned by Borrower or Borrower Product has been or is subject to any actual or, to the knowledge of Borrower, threatened litigation, proceeding (including any proceeding in the United States Patent and Trademark Office or any corresponding foreign office or agency) or outstanding decree, order, judgment, settlement agreement or stipulation that materially restricts in any manner Borrower's use, transfer or licensing thereof or that may materially affect the validity, use or enforceability thereof. There is no decree, order, judgment, agreement, stipulation, arbitral award or other provision entered into in connection with any litigation or proceeding that obligates Borrower to grant licenses or ownership interest in any future Intellectual Property related to the operation or conduct of the business of Borrower or Borrower Products. Borrower has not received any written notice or claim, or, to the knowledge of Borrower, oral notice or claim, challenging or

questioning Borrower's ownership in any Intellectual Property (or written notice of any claim challenging or questioning the ownership in any licensed Intellectual Property of the owner thereof) or suggesting that any third party has any claim of legal or beneficial ownership with respect thereto nor, to Borrower's best knowledge, is there a reasonable basis for any such claim. To Borrower's best knowledge, neither Borrower's use of its Intellectual Property nor the production and sale of Borrower Products infringes the Intellectual Property or other rights of others.

5.12 Financial Accounts. Exhibit E, as may be updated by the Borrower in a written notice provided to Agent after the Closing Date, is a true, correct and complete list of (a) all banks and other financial institutions at which Borrower or any Subsidiary maintains Deposit Accounts and (b) all institutions at which Borrower or any Subsidiary maintains an account holding Investment Property, and such exhibit correctly identifies the name, address and telephone number of each bank or other institution, the name in which the account is held, a description of the purpose of the account, and the complete account number therefor.

5.13 Employee Loans. Borrower has no outstanding loans to any employee, officer or director of the Borrower nor has Borrower guaranteed the payment of any loan made to an employee, officer or director of the Borrower by a third party.

5.14 Capitalization and Subsidiaries. Borrower's capitalization as of the Closing Date is set forth on Schedule 5.14 annexed hereto. Borrower does not own any stock, partnership interest or other securities of any Person, except for Permitted Investments. Attached as Schedule 1, as may be updated by Borrower in a written notice provided after the Closing Date, is a true, correct and complete list of each Subsidiary.

SECTION 6. INSURANCE; INDEMNIFICATION

6.1 Coverage. Borrower shall cause to be carried and maintained commercial general liability insurance, on an occurrence form, against risks customarily insured against in Borrower's line of business. Such risks shall include the risks of bodily injury, including death, property damage, personal injury, advertising injury, and contractual liability per the terms of the indemnification agreement found in Section 6.3. Borrower must maintain a minimum of \$2,000,000 of commercial general liability insurance for each occurrence. Borrower has and agrees to maintain a minimum of \$500,000 of directors' and officers' insurance for each occurrence and \$500,000 in the aggregate; notwithstanding the above, Borrower shall maintain a minimum of \$1,000,000 of directors' and officers' insurance for each occurrence and \$1,000,000 in the aggregate in accordance with the time-frame set forth in Schedule 7.19 hereof. Borrower's insurance coverage at all times shall satisfy all minimum insurance coverage requirements specified in Borrower's real property leases. So long as there are any Secured Obligations outstanding, Borrower shall also cause to be carried and maintained insurance upon the Collateral, insuring against all risks of physical loss or damage howsoever caused, in an amount not less than the full replacement cost of the Collateral, provided that such insurance may be subject to standard exceptions and deductibles.

6.2 Certificates. Borrower shall deliver to Agent certificates of insurance that evidence Borrower's compliance with its insurance obligations in Section 6.1 and the obligations contained in this Section 6.2. Borrower's insurance certificate shall state Agent (shown as "Hercules Technology Growth Capital, Inc., as Agent") is an additional insured for commercial general liability, a loss payee for all risk property damage insurance, subject to the insurer's approval, and a loss payee for property insurance and additional insured for liability insurance for any future insurance that Borrower may acquire from such insurer. Attached to the certificates of insurance will be additional insured endorsements for liability and lender's loss payable endorsements for all risk property damage insurance. All certificates of insurance will provide for a minimum of thirty (30) days advance written notice to Agent of cancellation (other than cancellation for non-payment of premiums, for which ten (10) days' advance written notice shall be sufficient) or any other change adverse to Agent's interests. Any failure of Agent to scrutinize such insurance certificates for compliance is not a waiver of any of Agent's rights, all of which are reserved. For the avoidance of doubt, if the insurance certificates delivered to Agent as of the date hereof do not meet any of the requirements under this Section 6.2, then Borrower shall deliver updated certificates to Agent reasonably promptly following the Closing Date.

6.3 Indemnity. Borrower agrees to indemnify and hold Agent, Lender and their officers, directors, employees, agents, in-house attorneys, representatives and shareholders (each, an "Indemnified Person") harmless from and against any and all claims, costs, expenses, damages and liabilities (including such claims, costs, expenses, damages and liabilities based on liability in tort, including strict liability in tort), including reasonable attorneys' fees and disbursements and other costs of investigation or defense (including those incurred upon any appeal) (collectively, "Liabilities"), that may be instituted or asserted against or incurred by such Indemnified Person as the result of credit having been extended, suspended or terminated under this Agreement and the other Loan Documents or the administration of such credit, or in connection with or arising out of the transactions contemplated hereunder and thereunder, or any actions or failures to act in connection therewith, or arising out of the disposition or utilization of the Collateral, excluding in all cases Liabilities to the extent resulting solely from any Indemnified Person's gross negligence or willful misconduct. Borrower agrees to pay, and to save Agent and Lender harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all excise, sales or other similar taxes (excluding taxes imposed on or measured by the net income of Agent or Lender) that may be payable or determined to be payable with respect to any of the Collateral or this Agreement. In no event shall any Indemnified Person be liable on any theory of liability for any special, indirect, consequential or punitive damages (including any loss of profits, business or anticipated savings). This Section 6.3 shall survive the repayment of indebtedness under, and otherwise shall survive the expiration or other termination of, the Loan Agreement.

SECTION 7. COVENANTS OF BORROWER

Borrower agrees as follows:

7.1 Financial Reports. Borrower shall furnish to Agent the financial statements and reports listed hereinafter (the “Financial Statements”):

(a) as soon as practicable (and in any event within 30 days) after the end of each month, unaudited interim and year-to-date financial statements as of the end of such month (prepared on a consolidated and consolidating basis, if applicable), including balance sheet and related statements of income and cash flows accompanied by a report detailing any material contingencies (including the commencement of any material litigation by or against Borrower) or any other occurrence that would reasonably be expected to have a Material Adverse Effect, all certified by Borrower’s Chief Executive Officer or Chief Financial Officer to the effect that they have been prepared in accordance with GAAP, except (i) for the absence of footnotes, (ii) that they are subject to normal year end adjustments, and (iii) they do not contain certain non-cash items that are customarily included in quarterly and annual financial statements;

(b) as soon as practicable (and in any event within 30 days) after the end of each calendar quarter, unaudited interim and year-to-date financial statements as of the end of such calendar quarter (prepared on a consolidated and consolidating basis, if applicable), including balance sheet and related statements of income and cash flows accompanied by a report detailing any material contingencies (including the commencement of any material litigation by or against Borrower) or any other occurrence that would reasonably be expected to have a Material Adverse Effect, certified by Borrower’s Chief Executive Officer or Chief Financial Officer to the effect that they have been prepared in accordance with GAAP, except (i) for the absence of footnotes, and (ii) that they are subject to normal year end adjustments; as well as the most recent capitalization table for Borrower, together with additional reporting specified on Schedule 7.1(b);

(c) as soon as practicable (and in any event within one hundred fifty (150) days) after the end of each fiscal year, unqualified audited financial statements as of the end of such year (prepared on a consolidated and consolidating basis, if applicable), including balance sheet and related statements of income and cash flows, and setting forth in comparative form the corresponding figures for the preceding fiscal year, certified by a firm of independent certified public accountants selected by Borrower and reasonably acceptable to Agent, accompanied by any management report from such accountants;

(d) as soon as practicable (and in any event within 30 days) after the end of each month, a Compliance Certificate;

(e) as soon as practicable, such additional reporting as may be reasonably requested by Agent and Lender from time to time;

(f) promptly after the sending or filing thereof, as the case may be, copies of any proxy statements, financial statements or reports that Borrower has made available to holders of its membership interests and copies of any regular, periodic and special reports or registration statements that Borrower files with the Securities and Exchange

Commission or any governmental authority that may be substituted therefor, or any national securities exchange;

(g) at the same time and in the same manner as it gives to its directors, copies of all notices, minutes, consents and other materials that Borrower provides to its directors in connection with meetings of the Board of Directors, and within 30 days after each such meeting, minutes of such meeting, provided that in all cases Borrower may exclude information or materials relating to executive compensation, executive sessions, debt refinancings, confidential merger activities, attorney-client privilege materials and other similar confidential or sensitive information; and

(h) financial and business projections (which shall be reasonably acceptable to Agent and Lender) promptly following their approval by Borrower's Board of Directors, and in any event, within 30 days prior to the end of Borrower's fiscal year, as well as budgets, operating plans and other financial information reasonably requested by Agent.

Borrower shall not (without the consent of Agent, such consent not to be unreasonably withheld or delayed), make any change in its (a) accounting policies or reporting practices, except as required by GAAP or (b) fiscal years or fiscal quarters. The fiscal year of Borrower shall end on December 31.

The executed Compliance Certificate may be sent via email to Agent at legal@herculestech.com. All Financial Statements required to be delivered pursuant to clauses (a), (b) and (c) shall be sent via e-mail to financialstatements@herculestech.com with a copy to legal@herculestech.com provided, that if e-mail is not available or sending such Financial Statements via e-mail is not possible, they shall be sent to Agent at: legal@herculestech.com, attention Chief Credit Officer.

7.2 Management Rights. Borrower shall permit any representative that Agent or Lender authorizes, including its attorneys and accountants, to inspect the Collateral, undertake field exams and examine and make copies and abstracts of the books of account and records of Borrower at reasonable times and upon reasonable notice during normal business hours; provided, however, that so long as no Event of Default has occurred and is continuing, such examinations shall be limited to no more often than twice per fiscal year. In addition, any such representative shall have the right to meet with management and officers of Borrower to discuss such books of account and records. In addition, Agent or Lender shall be entitled at reasonable times and intervals to consult with and advise the management and officers of Borrower concerning significant business issues affecting Borrower. Such consultations shall not unreasonably interfere with Borrower's business operations. The parties intend that the rights granted Agent and Lender shall constitute "management rights" within the meaning of 29 C.F.R. Section 2510.3-101(d)(3)(ii), but that any advice, recommendations or participation by Agent or Lender with respect to any business issues shall not be deemed to give Agent or Lender, nor be deemed an exercise by Agent or Lender of, control over Borrower's management or policies.

7.3 Further Assurances. Borrower shall from time to time execute, deliver and file, alone or with Agent, any financing statements, security agreements, collateral assignments, notices, control agreements, or other documents to perfect or give the highest

priority to Agent's Lien on the Collateral. Borrower shall from time to time procure any instruments or documents as may be reasonably requested by Agent, and take all further action that may be necessary, or that Agent may reasonably request, to perfect and protect the Liens granted hereby and thereby. In addition, and for such purposes only, Borrower hereby authorizes Agent to execute and deliver on behalf of Borrower and to file such financing statements (including an indication that the financing statement covers "all assets or all personal property" of Borrower in accordance with Section 9-504 of the UCC), collateral assignments, notices, control agreements, security agreements and other documents without the signature of Borrower either in Agent's name or in the name of Agent as agent and attorney-in-fact for Borrower. Borrower shall protect and defend Borrower's title to the Collateral and Agent's Lien thereon against all Persons claiming any interest adverse to Borrower or Agent other than Permitted Liens.

7.4 Indebtedness. Borrower shall not create, incur, assume, guarantee or be or remain liable with respect to any Indebtedness, or permit any Subsidiary so to do, other than Permitted Indebtedness, or prepay any Indebtedness or take any actions which impose on Borrower an obligation to prepay any Indebtedness, except for (a) the conversion of Indebtedness into equity securities and the payment of cash in lieu of fractional shares in connection with such conversion, (b) purchase money Indebtedness pursuant to its then applicable payment schedule, (c) prepayment by any Subsidiary of (i) inter-company Indebtedness owed by such Subsidiary to any Borrower, or (ii) if such Subsidiary is not a Borrower, intercompany Indebtedness owed by such Subsidiary to another Subsidiary that is not a Borrower or (d) as otherwise permitted hereunder or approved in writing by Agent.

7.5 Collateral. Borrower shall at all times keep the Collateral and all other property and assets used in Borrower's business or in which Borrower now or hereafter holds any interest free and clear from any legal process or Liens whatsoever (except for Permitted Liens), and shall give Agent prompt written notice of any legal process affecting the Collateral, such other property and assets, or any Liens thereon, provided however, that the Collateral and such other property and assets may be subject to Permitted Liens except that there shall be no Liens whatsoever on Intellectual Property. Borrower shall not agree with any Person other than Agent or Lender not to encumber its property. Borrower shall cause its Subsidiaries to protect and defend such Subsidiary's title to its assets from and against all Persons claiming any interest adverse to such Subsidiary, and Borrower shall cause its Subsidiaries at all times to keep such Subsidiary's property and assets free and clear from any legal process or Liens whatsoever (except for Permitted Liens, provided however, that there shall be no Liens whatsoever on Intellectual Property), and shall give Agent prompt written notice of any legal process affecting such Subsidiary's assets.

7.6 Investments. Borrower shall not directly or indirectly acquire or own, or make any Investment in or to any Person, or permit any of its Subsidiaries so to do, other than Permitted Investments.

7.7 Distributions. Borrower shall not, and shall not allow any Subsidiary to, (a) repurchase or redeem any class of membership interest or other equity interest other than in accordance with clause (iii) of the definition of Permitted Investments, or (b) declare or pay any cash dividend or make a cash distribution on any class of membership interest or other

equity interest, except that Borrower may make Permitted Distributions provided no default or Event of Default shall have occurred or be continuing, and a Subsidiary may pay dividends or make distributions to Borrower, or (c) lend money to any employees, officers or directors or guarantee the payment of any such loans granted by a third party in excess of \$100,000 in the aggregate or (d) waive, release or forgive any Indebtedness owed by any employees, officers or directors in excess of \$100,000 in the aggregate.

7.8 Transfers. Except for Permitted Transfers, Borrower shall not, and shall not allow any Subsidiary to, voluntarily or involuntarily transfer, sell, lease, license, lend or in any other manner convey (each, a "Transfer") any equitable, beneficial or legal interest in any material portion of its assets.

7.9 Mergers or Acquisitions. Except as specifically approved in advance by Agent in writing, Borrower shall not merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with or into any other business organization (other than mergers or consolidations of (a) a Subsidiary which is not a Borrower into another Subsidiary or into Borrower, (b) a Borrower into another Borrower), or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person.

7.10 Taxes. Borrower and its Subsidiaries shall pay when due all material taxes, fees or other charges of any nature whatsoever (together with any related interest or penalties) now or hereafter imposed or assessed against Borrower, Agent, Lender (in the case of Agent and Lender, to the extent assessed in connection with the making of the Loan hereunder but excluding taxes on Agent's or Lender's net income, any franchise or branch profits taxes, any taxes imposed as a result of a present or former connection between Agent or Lender and the jurisdiction imposing such tax, and any U.S. federal withholding taxes) or the Collateral or upon Borrower's ownership, possession, use, operation or disposition thereof or upon Borrower's rents, receipts or earnings arising therefrom. Borrower shall file on or before the due date therefor all personal property tax returns in respect of the Collateral. Notwithstanding the foregoing, Borrower may contest, in good faith and by appropriate proceedings, taxes for which Borrower maintains adequate reserves therefor in accordance with GAAP.

7.11 Corporate Changes. Neither Borrower nor any Subsidiary shall change its corporate name, legal form or jurisdiction of formation without twenty (20) days' prior written notice to Agent. Neither Borrower nor any Subsidiary shall suffer a Change in Control. Neither Borrower nor any Subsidiary shall relocate its chief executive office or its principal place of business unless: (i) it has provided prior written notice to Agent; and (ii) such relocation shall be within the continental United States. Neither Borrower nor any Qualified Subsidiary shall relocate any item of Collateral (other than (x) relocations among Borrower and parties that have entered into a Joinder Agreement, or sales of Inventory in the ordinary course of business, (y) relocations of Equipment having an aggregate value of up to \$150,000 in any fiscal year, and (z) relocations of Collateral from a location described on Exhibit C to another location described on Exhibit C) unless (i) it has provided prompt written notice to Agent, (ii) such relocation is within the continental

United States and, (iii) if such relocation is to a third party bailee, it has delivered a bailee agreement in form and substance reasonably acceptable to Agent.

7.12 Deposit Accounts. Neither Borrower nor any Qualified Subsidiary shall maintain any Deposit Accounts, or accounts holding Investment Property, except (i) with respect to which Agent has an Account Control Agreement or will have an Account Control Agreement within the specific time-frames and other terms set forth on Schedule 7.19, and (ii) Deposit Accounts, collectively holding aggregate balances of up to \$100,000, which are not held at the bank with which the Borrower maintains its primary banking relationship, including its primary operating account and operating accounts for each of Borrower's retail locations, substantially similar to the accounts with Bank of America set forth on Exhibit E (the "Primary Bank").

7.13 Borrower shall notify Agent of each Subsidiary formed subsequent to the Closing Date and, within 15 days of formation, shall cause any such Qualified Subsidiary to execute and deliver to Agent a Joinder Agreement.

7.14 Notification of Event of Default. Borrower shall notify Agent promptly after becoming aware of the occurrence of any Event of Default.

7.15 Agent and Lender have received a license from the U.S. Small Business Administration ("SBA") to extend loans as a small business investment company ("SBIC") pursuant to the Small Business Investment Act of 1958, as amended, and the associated regulations (collectively, the "SBIC Act"). Portions of the loan to Borrower will be made under the SBA license and the SBIC Act. Addendum 1 to this Agreement outlines various responsibilities of Agent, Lender and Borrower associated with an SBA loan, and such Addendum 1 is hereby incorporated in this Agreement.

7.16 Minimum Quarterly Revenue Covenant.

(a) 2016 Minimum Quarterly Revenue. On a quarterly basis through the quarter ending December 31, 2016, tested as of the end of each of Borrower's fiscal quarters, Borrower shall maintain not less than 90% of the ratio of projected Same Store Sales Revenue to Overall Revenue, which yields the following minimum amounts:

Quarter ending 3/31/16	\$3,858,000
Quarter ending 6/30/16	\$5,203,000
Quarter ending 9/30/16	\$5,601,000
Quarter ending 12/31/16	\$6,416,000

(b) 2017 Minimum Quarterly Revenue. Beginning in 2017, based on Borrower's Plan for 2017, Borrower shall maintain on a quarterly basis, tested as of the end of each of Borrower's fiscal quarters either (i) not less than 80% of projected quarterly Overall Revenue, tested against actual Overall Revenue for each quarter, or (ii) not less than 90% of projected quarterly Same Store Sales Revenue, tested against actual

Same Store Sales Revenue for each quarter, as more particularly specified in the Compliance Certificate (to be updated in accordance with the Plan for that applicable fiscal year).

7.17 Minimum Unrestricted Cash Covenant. Borrower shall maintain minimum unrestricted cash and short term investments held in the United States of at least \$750,000 at all times held in accounts subject to an Account Control Agreement.

7.18 Equity Covenant. Borrower shall receive at least \$1,000,000 of net new equity financing from investors reasonably acceptable to Lender and Agent on or before April 30, 2016.

7.19 Post-Closing Items. Borrower shall deliver or cause to be delivered the documents and complete the tasks set forth on Schedule 7.19 on or before the corresponding dates set forth on Schedule 7.19 (or such later date(s) as determined by Agent).

SECTION 8. RIGHT TO INVEST

8.1 Lender or its assignee or nominee shall have the right, in its discretion, to participate in the Subsequent Financing in an amount of up to \$500,000 on the same terms, conditions and pricing afforded to others participating in the Subsequent Financing. This Section 8.1, and all rights and obligations hereunder, shall survive the repayment of indebtedness under, and otherwise shall survive the expiration or other termination of, the Loan Agreement.

SECTION 9. EVENTS OF DEFAULT

The occurrence of any one or more of the following events shall be an Event of Default:

9.1 Payments. Borrower fails to pay any amount due under this Agreement or any of the other Loan Documents on the due date; provided, however, that an Event of Default shall not occur on account of a failure to pay due solely to an administrative or operational error of Lender or Borrower's bank if Borrower had the funds to make the payment when due and makes the payment within three (3) Business Days following Borrower's knowledge of such failure to pay; or

9.2 Covenants. Borrower breaches or defaults in the performance of any covenant or Secured Obligation under this Agreement, or any of the other Loan Documents or any other agreement among Borrower, Agent and Lender, and (a) with respect to a default under any covenant under this Agreement (other than under Sections 6, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.12, 7.14, 7.15, 7.16, 7.17, 7.18 and 7.19), any other Loan Document or any other agreement among Borrower, Agent and Lender, such default continues for more than fifteen (15) days after the earlier of the date on which (i) Agent or Lender has given notice of such default to Borrower and (ii) Borrower has actual knowledge of such default or (b) with respect to a default under any of Sections 6, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.12, 7.14, 7.15, 7.16, 7.17, 7.18 and 7.19, the occurrence of such default; or

9.3 Material Adverse Effect. A Material Adverse Effect has occurred; or

9.4 Representations. Any representation or warranty made by Borrower in any Loan Document shall have been false or misleading in any material respect when made or when deemed made; or

9.5 Insolvency. Borrower (A) (i) shall make an assignment for the benefit of creditors; or (ii) shall be unable to pay its debts as they become due, or be unable to pay or perform under the Loan Documents, or shall become insolvent; or (iii) shall file a voluntary petition in bankruptcy; or (iv) shall file any petition, answer, or document seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation pertinent to such circumstances; or (v) shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of Borrower or of all or any substantial part (i.e., 33-1/3% or more) of the assets or property of Borrower; or (vi) shall cease operations of its business as its business has normally been conducted, or terminate substantially all of its employees; or (vii) Borrower or its directors or majority shareholders shall take any action initiating any of the foregoing actions described in clauses (i) through (vi); or (B) either (i) thirty (30) days shall have expired after the commencement of an involuntary action against Borrower seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, without such action being dismissed or all orders or proceedings thereunder affecting the operations or the business of Borrower being stayed; or (ii) a stay of any such order or proceedings shall thereafter be set aside and the action setting it aside shall not be timely appealed; or (iii) Borrower shall file any answer admitting or not contesting the material allegations of a petition filed against Borrower in any such proceedings; or (iv) the court in which such proceedings are pending shall enter a decree or order granting the relief sought in any such proceedings; or (v) thirty (30) days shall have expired after the appointment, without the consent or acquiescence of Borrower, of any trustee, receiver or liquidator of Borrower or of all or any substantial part of the properties of Borrower without such appointment being vacated; or

9.6 Attachments; Judgments. A material portion of Borrower's assets is attached or seized, or a levy is filed against a material portion of Borrower's assets, or a final, non-appealable judgment or judgments is/are entered for the payment of money (not covered by independent third party insurance as to which liability has not been rejected by such insurance carrier), individually or in the aggregate, of at least \$100,000, or Borrower is enjoined or in any way prevented by court order from conducting any part of its business; or

9.7 Other Obligations. The occurrence of any default under any agreement or obligation of Borrower involving any Indebtedness in excess of \$50,000.

SECTION 10. REMEDIES

10.1 General. Upon and during the continuance of any one or more Events of Default, (i) Agent may, at its option, accelerate and demand payment of all or any part of

the Secured Obligations together with a Prepayment Charge and declare them to be immediately due and payable (provided, that upon the occurrence of an Event of Default of the type described in Section 9.5, all of the Secured Obligations shall automatically be accelerated and made due and payable, in each case without any further notice or act), (ii) Agent may, at its option, sign and file in Borrower's name any and all collateral assignments, notices, control agreements, security agreements and other documents it deems necessary or appropriate to perfect or protect the repayment of the Secured Obligations, and in furtherance thereof, Borrower hereby grants Agent an irrevocable power of attorney coupled with an interest, and (iii) Agent may notify any of Borrower's account debtors to make payment directly to Agent, compromise the amount of any such account on Borrower's behalf and endorse Agent's name without recourse on any such payment for deposit directly to Agent's account. Agent may exercise all rights and remedies with respect to the Collateral under the Loan Documents or otherwise available to it under the UCC and other applicable law, including the right to release, hold, sell, lease, liquidate, collect, realize upon, or otherwise dispose of all or any part of the Collateral and the right to occupy, utilize, process and commingle the Collateral. All Agent's rights and remedies shall be cumulative and not exclusive.

10.2 Collection; Foreclosure. Upon the occurrence and during the continuance of any Event of Default, Agent may, at any time or from time to time, apply, collect, liquidate, sell in one or more sales, lease or otherwise dispose of, any or all of the Collateral, in its then condition or following any commercially reasonable preparation or processing, in such order as Agent may elect. Any such sale may be made either at public or private sale at its place of business or elsewhere. Borrower agrees that any such public or private sale may occur upon ten (10) calendar days' prior written notice to Borrower. Agent may require Borrower to assemble the Collateral and make it available to Agent at a place designated by Agent that is reasonably convenient to Agent and Borrower. The proceeds of any sale, disposition or other realization upon all or any part of the Collateral shall be applied by Agent in the following order of priorities:

First, to Agent and Lender in an amount sufficient to pay in full Agent's and Lender's reasonable costs and professionals' and advisors' fees and expenses as described in Section 11.11;

Second, to Lender in an amount equal to the then unpaid amount of the Secured Obligations (including principal, interest, and the Default Rate interest), in such order and priority as Agent may choose in its sole discretion; and

Finally, after the full and final payment in Cash of all of the Secured Obligations (other than inchoate obligations), to any creditor holding a junior Lien on the Collateral, or to Borrower or its representatives or as a court of competent jurisdiction may direct.

Agent shall be deemed to have acted reasonably in the custody, preservation and disposition of any of the Collateral if it complies with the obligations of a secured party under the UCC.

10.3 No Waiver. Agent shall be under no obligation to marshal any of the Collateral for the benefit of Borrower or any other Person, and Borrower expressly waives all rights, if any, to require Agent to marshal any Collateral.

10.4 Cumulative Remedies. The rights, powers and remedies of Agent hereunder shall be in addition to all rights, powers and remedies given by statute or rule of law and are cumulative. The exercise of any one or more of the rights, powers and remedies provided herein shall not be construed as a waiver of or election of remedies with respect to any other rights, powers and remedies of Agent.

SECTION 11. MISCELLANEOUS

11.1 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective only to the extent and duration of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

11.2 Notice. Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration, service of process or other communication (including the delivery of Financial Statements) that is required, contemplated, or permitted under the Loan Documents or with respect to the subject matter hereof shall be in writing, and shall be deemed to have been validly served, given, delivered, and received upon the earlier of: (i) the day of transmission by electronic mail or hand delivery or delivery by an overnight express service or overnight mail delivery service; or (ii) the third calendar day after deposit in the United States mails, with proper first class postage prepaid, in each case addressed to the party to be notified as follows:

(a) If to Agent:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.
Legal Department
Attention: Chief Legal Officer and Roy Liu
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
email : legal@herculestech.com
Telephone: 650-289-3060

(b) If to Lender:

HERCULES TECHNOLOGY III, L.P.
Legal Department
Attention: Chief Legal Officer and Roy Liu
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
email : legal@herculestech.com
Telephone: 650-289-3060

(c) If to Borrower:

SIMPLIFY HOLDINGS, LLC d/b/a SECOND TIME AROUND

Attention: Kristin Burrows, CEO
560 Harrison Avenue, Suite 501
Boston, MA 02118
email: kristin.burrows@2ndtimearound.com
Telephone: 646-512-3430

with a copy to:

Feinberg Hanson LLP
855 Boylston Street
Boston, MA 02116
Attention: Joshua Rissmiller
Facsimile No.: 617-603-3305

or to such other address as each party may designate for itself by like notice.

11.3 Entire Agreement; Amendments.

(a) This Agreement and the other Loan Documents constitute the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and thereof, and supersede and replace in their entirety any prior proposals, term sheets, non-disclosure or confidentiality agreements, letters, negotiations or other documents or agreements, whether written or oral, with respect to the subject matter hereof or thereof (including Agent's revised proposal letter dated December 31, 2015).

(b) Neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 11.3(b). The Required Lenders and Borrower party to the relevant Loan Document may, or, with the written consent of the Required Lenders, the Agent and the Borrower party to the relevant Loan Document may, from time to time, (i) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Borrower hereunder or thereunder or (ii) waive, on such terms and conditions as the Required Lenders or the Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall (A) forgive the principal amount or extend the final scheduled date of maturity of any Loan, extend the scheduled date of any amortization payment in respect of any Term Loan, reduce the stated rate of any interest or fee payable hereunder) or extend the scheduled date of any payment thereof, in each case without the written consent of each Lender directly affected thereby; (B) eliminate or reduce the voting rights of any Lender under this Section 11.3(b) without the written consent of such Lender; (C) reduce any percentage specified in the definition of Required Lenders, consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, release all or substantially all of the Collateral or release a Borrower from its obligations under the

Loan Documents, in each case without the written consent of all Lenders; or (D) amend, modify or waive any provision of Section 11.17 without the written consent of the Agent. Any such waiver and any such amendment, supplement or modification shall apply equally to each Lender and shall be binding upon Borrower, the Lender, the Agent and all future holders of the Loans.

11.4 No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

11.5 No Waiver. The powers conferred upon Agent and Lender by this Agreement are solely to protect its rights hereunder and under the other Loan Documents and its interest in the Collateral and shall not impose any duty upon Agent or Lender to exercise any such powers. No omission or delay by Agent or Lender at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by Borrower at any time designated, shall be a waiver of any such right or remedy to which Agent or Lender is entitled, nor shall it in any way affect the right of Agent or Lender to enforce such provisions thereafter except as expressly stated herein.

11.6 Survival. All agreements, representations and warranties contained in this Agreement and the other Loan Documents or in any document delivered pursuant hereto or thereto shall be for the benefit of Agent and Lender and shall survive the execution and delivery of this Agreement.

11.7 Successors and Assigns. The provisions of this Agreement and the other Loan Documents shall inure to the benefit of and be binding on Borrower and its permitted assigns (if any). Borrower shall not assign its obligations under this Agreement or any of the other Loan Documents without Agent's express prior written consent, and any such attempted assignment shall be void and of no effect. Agent and Lender may assign, transfer, or endorse its rights hereunder and under the other Loan Documents upon prior notice to Borrower, and all of such rights shall inure to the benefit of Agent's and Lender's successors and assigns; provided that as long as no Event of Default has occurred and is continuing, neither Agent nor any Lender may assign, transfer or endorse its rights hereunder or under the Loan Documents to any party that is a direct competitor of Borrower (as reasonably determined by Agent), it being acknowledged that in all cases, any transfer to an Affiliate of any Lender or Agent shall be allowed. Notwithstanding the above, no notice to Borrower shall be required for transfers to Affiliates of Agent or Lender or after the occurrence of an Event of Default.

11.8 Governing Law. This Agreement and the other Loan Documents have been negotiated and delivered to Agent and Lender in the State of California, and shall have been accepted by Agent and Lender in the State of California. Payment to Agent and Lender by Borrower of the Secured Obligations is due in the State of California. This Agreement and the other Loan Documents shall be governed by, and construed and

enforced in accordance with, the laws of the State of California, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

11.9 Consent to Jurisdiction and Venue. All judicial proceedings (to the extent that the reference requirement of Section 11.10 is not applicable) arising in or under or related to this Agreement or any of the other Loan Documents may be brought in any state or federal court located in the State of California. By execution and delivery of this Agreement, each party hereto generally and unconditionally: (a) consents to nonexclusive personal jurisdiction in Santa Clara County, State of California; (b) waives any objection as to jurisdiction or venue in Santa Clara County, State of California; (c) agrees not to assert any defense based on lack of jurisdiction or venue in the aforesaid courts; and (d) irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement or the other Loan Documents. Service of process on any party hereto in any action arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in Section 11.2, and shall be deemed effective and received as set forth in Section 11.2. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of either party to bring proceedings in the courts of any other jurisdiction.

11.10 Mutual Waiver of Jury Trial / Judicial Reference.

(a) Because disputes arising in connection with complex financial transactions are most quickly and economically resolved by an experienced and expert Person and the parties wish applicable state and federal laws to apply (rather than arbitration rules), the parties desire that their disputes be resolved by a judge applying such applicable laws. EACH OF BORROWER, AGENT AND LENDER SPECIFICALLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, CROSS-CLAIM, COUNTERCLAIM, THIRD PARTY CLAIM OR ANY OTHER CLAIM (COLLECTIVELY, "CLAIMS") ASSERTED BY BORROWER AGAINST AGENT, LENDER OR THEIR RESPECTIVE ASSIGNEE OR BY AGENT, LENDER OR THEIR RESPECTIVE ASSIGNEE AGAINST BORROWER. This waiver extends to all such Claims, including Claims that involve Persons other than Agent, Borrower and Lender; Claims that arise out of or are in any way connected to the relationship among Borrower, Agent and Lender; and any Claims for damages, breach of contract, tort, specific performance, or any equitable or legal relief of any kind, arising out of this Agreement, any other Loan Document.

(b) If the waiver of jury trial set forth in Section 11.10(a) is ineffective or unenforceable, the parties agree that all Claims shall be resolved by reference to a private judge sitting without a jury, pursuant to Code of Civil Procedure Section 638, before a mutually acceptable referee or, if the parties cannot agree, a referee selected by the Presiding Judge of the Santa Clara County, California. Such proceeding shall be conducted in Santa Clara County, California, with California rules of evidence and discovery applicable to such proceeding.

(c) In the event Claims are to be resolved by judicial reference, either party may seek from a court identified in Section 11.9, any prejudgment order, writ or other

relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by law notwithstanding that all Claims are otherwise subject to resolution by judicial reference.

11.11 Professional Fees. Borrower promises to pay Agent's and Lender's fees and expenses necessary to finalize the loan documentation, including but not limited to reasonable attorneys fees, UCC searches, filing costs, and other miscellaneous expenses. In addition, Borrower promises to pay any and all reasonable attorneys' and other professionals' fees and expenses incurred by Agent and Lender after the Closing Date in connection with or related to: (a) the Loan; (b) the administration, collection, or enforcement of the Loan; (c) the amendment or modification of the Loan Documents; (d) any waiver, consent, release, or termination under the Loan Documents; (e) the protection, preservation, audit, field exam (not more than two times per fiscal year prior to the occurrence of an Event of Default), sale, lease, liquidation, or disposition of Collateral or the exercise of remedies with respect to the Collateral; (f) any legal, litigation, administrative, arbitration, or out of court proceeding in connection with or related to Borrower or the Collateral, and any appeal or review thereof; and (g) any bankruptcy, restructuring, reorganization, assignment for the benefit of creditors, workout, foreclosure, or other action related to Borrower, the Collateral, the Loan Documents, including representing Agent or Lender in any adversary proceeding or contested matter commenced or continued by or on behalf of Borrower's estate, and any appeal or review thereof.

11.12 Confidentiality. Agent and Lender acknowledge that certain items of Collateral and information provided to Agent and Lender by Borrower are confidential and proprietary information of Borrower, if and to the extent such information either (x) is marked as confidential by Borrower at the time of disclosure, or (y) should reasonably be understood to be confidential (the "Confidential Information"). Accordingly, Agent and Lender agree that any Confidential Information it may obtain in the course of acquiring, administering, or perfecting Agent's security interest in the Collateral shall not be disclosed to any other Person or entity in any manner whatsoever, in whole or in part, without the prior written consent of Borrower, except that Agent and Lender may disclose any such information: (a) to its own directors, officers, employees, accountants, counsel and other professional advisors and to its Affiliates if Agent or Lender in their sole discretion determines that any such party should have access to such information in connection with such party's responsibilities in connection with the Loan or this Agreement and, provided that such recipient of such Confidential Information either (i) agrees to be bound by the confidentiality provisions of this paragraph or (ii) is otherwise subject to confidentiality restrictions that reasonably protect against the disclosure of Confidential Information; (b) if such information is generally available to the public; (c) if required in any report, statement or testimony submitted to any governmental authority having or claiming to have jurisdiction over Agent or Lender; (d) if required in response to any summons or subpoena or in connection with any litigation, to the extent deemed advisable by Agent's or Lender's counsel; (e) to comply with any legal requirement or law applicable to Agent or Lender; (f) to the extent reasonably necessary in connection with the exercise of any right or remedy under any Loan Document, including Agent's sale, lease, or other disposition of Collateral after default; (g) to any participant or assignee of Agent or Lender or any prospective participant or assignee; provided, that such participant or

assignee or prospective participant or assignee agrees in writing to be bound by this Section prior to disclosure; or (h) otherwise with the prior consent of Borrower; provided, that any disclosure made in violation of this Agreement shall not affect the obligations of Borrower or any of its Affiliates or any guarantor under this Agreement or the other Loan Documents.

11.13 Assignment of Rights. Borrower acknowledges and understands that Agent or Lender may, subject to Section 11.7, sell and assign all or part of its interest hereunder and under the Loan Documents to any Person or entity (an "Assignee"). After such assignment the term "Agent" or "Lender" as used in the Loan Documents shall mean and include such Assignee, and such Assignee shall be vested with all rights, powers and remedies of Agent and Lender hereunder with respect to the interest so assigned; but with respect to any such interest not so transferred, Agent and Lender shall retain all rights, powers and remedies hereby given. No such assignment by Agent or Lender shall relieve Borrower of any of its obligations hereunder. Lender agrees that in the event of any transfer by it of the Note(s)(if any), it will endorse thereon a notation as to the portion of the principal of the Note(s), which shall have been paid at the time of such transfer and as to the date to which interest shall have been last paid thereon.

11.14 Revival of Secured Obligations. This Agreement and the Loan Documents shall remain in full force and effect and continue to be effective if any petition is filed by or against Borrower for liquidation or reorganization, if Borrower becomes insolvent or makes an assignment for the benefit of creditors, if a receiver or trustee is appointed for all or any significant part of Borrower's assets, or if any payment or transfer of Collateral is recovered from Agent or Lender. The Loan Documents and the Secured Obligations and Collateral security shall continue to be effective, or shall be revived or reinstated, as the case may be, if at any time payment and performance of the Secured Obligations or any transfer of Collateral to Agent, or any part thereof is rescinded, avoided or avoidable, reduced in amount, or must otherwise be restored or returned by, or is recovered from, Agent, Lender or by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment, performance, or transfer of Collateral had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, avoided, avoidable, restored, returned, or recovered, the Loan Documents and the Secured Obligations shall be deemed, without any further action or documentation, to have been revived and reinstated except to the extent of the full, final, and indefeasible payment to Agent or Lender in Cash.

11.15 Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument.

11.16 No Third Party Beneficiaries. No provisions of the Loan Documents are intended, nor will be interpreted, to provide or create any third-party beneficiary rights or any other rights of any kind in any Person other than Agent, Lender and Borrower unless specifically provided otherwise herein, and, except as otherwise so provided, all provisions

of the Loan Documents will be personal and solely among Agent, the Lender and the Borrower.

11.17 Agency.

(a) Lender hereby irrevocably appoints Hercules Technology Growth Capital, Inc. to act on its behalf as the Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(b) Lender agrees to indemnify the Agent in its capacity as such (to the extent not reimbursed by Borrower and without limiting the obligation of Borrower to do so), according to its respective Term Commitment percentages (based upon the total outstanding Term Loan Commitments) in effect on the date on which indemnification is sought under this Section 11.17, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Agent under or in connection with any of the foregoing; The agreements in this Section shall survive the payment of the Loans and all other amounts payable hereunder.

(c) Agent in Its Individual Capacity. The Person serving as the Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent and the term "Lender" shall, unless otherwise expressly indicated or unless the context otherwise requires, include each such Person serving as Agent hereunder in its individual capacity.

(d) Exculpatory Provisions. The Agent shall have no duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Agent shall not:

- (i) be subject to any fiduciary or other implied duties, regardless of whether any default or any Event of Default has occurred and is continuing;
- (ii) have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Lender, provided that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law; and
- (iii) except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and the Agent shall not be liable for the

failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by any Person serving as the Agent or any of its Affiliates in any capacity.

(e) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Lender or as the Agent shall believe in good faith shall be necessary, under the circumstances or (ii) in the absence of its own gross negligence or willful misconduct.

(f) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Section 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

(g) Reliance by Agent. Agent may rely, and shall be fully protected in acting, or refraining to act, upon, any resolution, statement, certificate, instrument, opinion, report, notice, request, consent, order, bond or other paper or document that it has no reason to believe to be other than genuine and to have been signed or presented by the proper party or parties or, in the case of cables, telecopies and telexes, to have been sent by the proper party or parties. In the absence of its gross negligence or willful misconduct, Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to Agent and conforming to the requirements of the Loan Agreement or any of the other Loan Documents. Agent may consult with counsel, and any opinion or legal advice of such counsel shall be full and complete authorization and protection in respect of any action taken, not taken or suffered by Agent hereunder or under any Loan Documents in accordance therewith. Agent shall have the right at any time to seek instructions concerning the administration of the Collateral from any court of competent jurisdiction. Agent shall not be under any obligation to exercise any of the rights or powers granted to Agent by this Agreement, the Loan Agreement and the other Loan Documents at the request or direction of Lenders unless Agent shall have been provided by Lender with adequate security and indemnity against the costs, expenses and liabilities that may be incurred by it in compliance with such request or direction.

11.18 Publicity. None of the parties hereto nor any of its respective member businesses and Affiliates shall, without the other parties' prior written consent (which shall not be unreasonably withheld or delayed), publicize or use (a) the other party's name (including a brief description of the relationship among the parties hereto), logo or hyperlink to such other parties' web site, separately or together, in written and oral presentations, advertising, promotional and marketing materials, client lists, public relations materials or on its web site (together, the "Publicity Materials"); (b) the names of

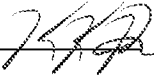
officers of such other parties in the Publicity Materials; and (c) such other parties' name, trademarks, servicemarks in any news or press release concerning such party; provided however, notwithstanding anything to the contrary herein, no such consent shall be required (i) to the extent necessary to comply with the requests of any regulators, legal requirements or laws applicable to such party, pursuant to any listing agreement with any national securities exchange (so long as such party provides prior notice to the other party hereto to the extent reasonably practicable) and (ii) to comply with Section 11.12.

(SIGNATURES TO FOLLOW)

IN WITNESS WHEREOF, Borrower, Agent and Lender have duly executed and delivered this Loan and Security Agreement as of the day and year first above written.

BORROWER:

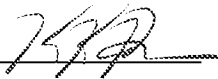
SIMPLIFY HOLDINGS, LLC d/b/a SECOND TIME AROUND and 2ND TIME AROUND

Signature: _____ 

Print Name: Kristin Burrows

Title: President and Chief Executive Officer

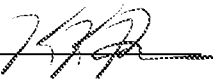
SIMPLIFY S.T.A., LLC d/b/a SECOND TIME AROUND and 2ND TIME AROUND

Signature: _____ 

Print Name: Kristin Burrows

Title: Member

STA REWARDS, LLC

Signature: _____ 

Print Name: Kristin Burrows

Title: Member

Accepted in Palo Alto, California:

AGENT:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

By: _____
Ben Bang, Associate General Counsel

LENDER:

HERCULES TECHNOLOGY III, L.P.,
a Delaware limited partnership

[Signature Page to Loan and Security Agreement]

IN WITNESS WHEREOF, Borrower, Agent and Lender have duly executed and delivered this Loan and Security Agreement as of the day and year first above written.

BORROWER:

SIMPLIFY HOLDINGS, LLC d/b/a SECOND TIME AROUND and 2ND TIME AROUND

Signature: _____

Print Name: _____

Title: _____

SIMPLIFY S.T.A., LLC d/b/a SECOND TIME AROUND and 2ND TIME AROUND

Signature: _____

Print Name: _____

Title: _____

STA REWARDS LLC

Signature: _____

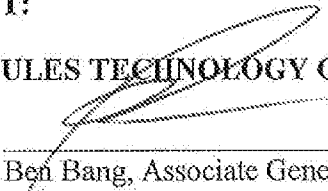
Print Name: _____

Title: _____

Accepted in Palo Alto, California:

AGENT:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

By:  _____
Ben Bang, Associate General Counsel

LENDER:

HERCULES TECHNOLOGY III, L.P.,
a Delaware limited partnership

By: Hercules Technology SBIC Management, LLC,
its General Partner

By: Hercules Technology Growth Capital, Inc.,
its Manager

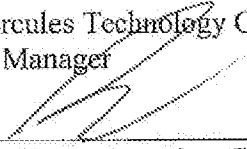
By: 
Ben Bang, Associate General Counsel

Table of Addenda, Exhibits and Schedules

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ADDENDUM 1 to LOAN AND SECURITY AGREEMENT

(a) *Borrower's Business.* For purposes of this Addendum 1, Borrower shall be deemed to include its "affiliates" as defined in Title 13 Code of Federal Regulations Section 121.103. Borrower represents and warrants to Agent and Lender as of the Closing Date and covenants to Agent and Lender for a period of one year after the Closing Date with respect to subsections 2, 3, 4, 5, 6 and 7 below, as follows:

1. **Size Status.** Borrower does not have tangible net worth in excess of \$19.5 million or average net income after Federal income taxes (excluding any carry-over losses) for the preceding two completed fiscal years in excess of \$6.5 million;
2. **No Relender.** Borrower's primary business activity does not involve, directly or indirectly, providing funds to others, purchasing debt obligations, factoring, or long-term leasing of equipment with no provision for maintenance or repair;
3. **No Passive Business.** Borrower is engaged in a regular and continuous business operation (excluding the mere receipt of payments such as dividends, rents, lease payments, or royalties). Borrower's employees are carrying on the majority of day to day operations. Borrower will not pass through substantially all of the proceeds of the Loan to another entity;
4. **No Real Estate Business.** Borrower is not classified under Major Group 65 (Real Estate) or Industry No. 1531 (Operative Builders) of the SIC Manual. The proceeds of the Loan will not be used to acquire or refinance real property unless Borrower (x) is acquiring an existing property and will use at least 51 percent of the usable square footage for its business purposes; (y) is building or renovating a building and will use at least 67 percent of the usable square footage for its business purposes; or (z) occupies the subject property and uses at least 67 percent of the usable square footage for its business purposes.
5. **No Project Finance.** Borrower's assets are not intended to be reduced or consumed, generally without replacement, as the life of its business progresses, and the nature of Borrower's business does not require that a stream of cash payments be made to the business's financing sources, on a basis associated with the continuing sale of assets (e.g., real estate development projects and oil and gas wells). The primary purpose of the Loan is not to fund production of a single item or defined limited number of items, generally over a defined production period, where such production

will constitute the majority of the activities of Borrower (e.g., motion pictures and electric generating plants).

6. No Farm Land Purchases. Borrower will not use the proceeds of the Loan to acquire farm land which is or is intended to be used for agricultural or forestry purposes, such as the production of food, fiber, or wood, or is so taxed or zoned.
7. No Foreign Investment. The proceeds of the Loan will not be used substantially for a foreign operation. At the time of the Loan, Borrower will not have more than 49 percent of its employees or tangible assets located outside the United States. The representation in this subsection (7) is made only as of the date hereof and shall not continue for one year as contemplated in the first sentence of this Section 1.

(b) *Small Business Administration Documentation.* Agent and Lender acknowledge that Borrower completed, executed and delivered to Agent SBA Forms 480, 652 and 1031 (Parts A and B) together with a business plan showing Borrower's financial projections (including balance sheets and income and cash flows statements) for the period described therein and a written statement (whether included in the purchase agreement or pursuant to a separate statement) from Agent regarding its intended use of proceeds from the sale of securities to Lender (the "Use of Proceeds Statement"). Borrower represents and warrants to Agent and Lender that the information regarding Borrower and its affiliates set forth in the SBA Form 480, Form 652 and Form 1031 and the Use of Proceeds Statement delivered as of the Closing Date is accurate and complete.

(c) *Inspection.* The following covenants contained in this Section (c) are intended to supplement and not to restrict the related provisions of the Loan Documents. Subject to the preceding sentence, Borrower will permit, for so long as Lender holds any debt or equity securities of Borrower, Agent, Lender or their representative, at Agent's or Lender's expense, and examiners of the SBA to visit and inspect the properties and assets of Borrower, to examine its books of account and records, and to discuss Borrower's affairs, finances and accounts with Borrower's officers, senior management and accountants, all at such reasonable times as may be requested by Agent or Lender or the SBA.

(d) *Annual Assessment.* Promptly after the end of each calendar year (but in any event prior to February 28 of each year) and at such other times as may be reasonably requested by Agent or Lender, Borrower will deliver to Agent a written assessment of the economic impact of Lender's investment in Borrower, specifying the full-time equivalent jobs created or retained in connection with the investment, the impact of the investment on the businesses of Borrower in terms of expanded revenue and taxes, other economic benefits resulting from the investment (such as technology development or commercialization, minority business development, or expansion of exports) and such other information as may be required regarding Borrower in connection with the filing of

Lender's SBA Form 468. Lender will assist Borrower with preparing such assessment. In addition to any other rights granted hereunder, Borrower will grant Agent and Lender and the SBA access to Borrower's books and records for the purpose of verifying the use of such proceeds. Borrower also will furnish or cause to be furnished to Agent and Lender such other information regarding the business, affairs and condition of Borrower as Agent or Lender may from time to time reasonably request.

(e) *Use of Proceeds.* Borrower will use the proceeds from the Loan only for purposes set forth in this Addendum 1. Borrower will deliver to Agent from time to time promptly following Agent's request, a written report, certified as correct by Borrower's Chief Financial Officer, verifying the purposes and amounts for which proceeds from the Loan have been disbursed. Borrower will supply to Agent such additional information and documents as Agent reasonably requests with respect to its use of proceeds and will permit Agent and Lender and the SBA to have access to any and all Borrower records and information and personnel as Agent deems necessary to verify how such proceeds have been or are being used, and to assure that the proceeds have been used for the purposes specified in this Addendum 1.

(f) *Activities and Proceeds.* Neither Borrower nor any of its affiliates (if any) will engage in any activities or use directly or indirectly the proceeds from the Loan for any purpose for which a small business investment company is prohibited from providing funds by the SBIC Act, including 13 C.F.R. §107.720. Without obtaining the prior written approval of Agent, Borrower will not change within 1 year of the date hereof, Borrower's current business activity to a business activity which a licensee under the SBIC Act is prohibited from providing funds by the SBIC Act.

(g) *[Intentionally Omitted.]*

(h) *Compliance and Resolution.* Borrower agrees that a failure to comply with Borrower's obligations under this Addendum, or any other set of facts or circumstances where it has been asserted by any governmental regulatory agency that Agent, Lender and their affiliates are not entitled to hold, or exercise any significant right with respect to, any securities issued to Lender by Borrower, will constitute a breach of the obligations of Borrower under the financing agreements among Borrower, Agent and Lender. In the event of (i) a failure to comply with Borrower's obligations under this Addendum; or (ii) an assertion by any governmental regulatory agency of a failure to comply with Borrower's obligations under this Addendum, then (i) Agent, Lender and Borrower will meet and resolve any such issue in good faith to the satisfaction of Borrower, Agent, Lender, and any governmental regulatory agency, and (ii) upon request of Lender or Agent, Borrower will cooperate and assist with any assignment of the financing agreements among Hercules Technology III, L.P. and Hercules Technology Growth Capital, Inc.

EXHIBIT A

ADVANCE REQUEST

To: Agent: _____ Date: _____

Hercules Technology Growth Capital, Inc. (the "Agent")
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
email: legal@herculestech.com
Attn:

Simplify Holdings, LLC d/b/a Second Time Around ("Borrower") hereby requests from Hercules Technology III, L.P. ("Lender") an Advance in the amount of _____ Dollars (\$_____) on _____, _____ (the "Advance Date") pursuant to the Loan and Security Agreement among Borrower, Agent and Lender (the "Agreement"). Capitalized words and other terms used but not otherwise defined herein are used with the same meanings as defined in the Agreement.

Please:

(a) Issue a check payable to Borrower _____

or

(b) Wire Funds to Borrower's account _____

Bank: _____

Address: _____

ABA Number: _____

Account Number: _____

Account Name: _____

Contact Person: _____

Phone Number _____

To Verify Wire Info: _____

Email address: _____

Borrower represents that the conditions precedent to the Advance set forth in the Agreement are satisfied and shall be satisfied upon the making of such Advance, including but not limited to: (i) that no event that has had or could reasonably be expected to have a Material Adverse Effect has occurred and is continuing; (ii) that the representations and warranties set forth in the Agreement are true and correct in all material respects and shall be true and correct in all material respects on and as of the Advance Date with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date; (iii) that Borrower is in compliance with all the terms and provisions set forth in each Loan Document on its part to be observed or performed; and (iv) that as of the Advance Date, no fact or condition exists that would (or would, with the passage of time, the giving of

notice, or both) constitute an Event of Default under the Loan Documents. Borrower understands and acknowledges that Agent has the right to review the financial information supporting this representation and, based upon such review in its sole discretion, Lender may decline to fund the requested Advance.

Borrower hereby represents that Borrower's corporate status and locations have not changed since the date of the Agreement or, if the Attachment to this Advance Request is completed, are as set forth in the Attachment to this Advance Request.

Borrower agrees to notify Agent promptly before the funding of the Loan if any of the matters which have been represented above shall not be true and correct on the Advance Date and if Agent has received no such notice before the Advance Date then the statements set forth above shall be deemed to have been made and shall be deemed to be true and correct as of the Advance Date.

Executed as of [], 20[].

BORROWER: SIMPLIFY HOLDINGS,
LLC d/b/a SECOND TIME AROUND

SIGNATURE: _____

TITLE: _____

PRINT NAME: _____

ATTACHMENT TO ADVANCE REQUEST

Dated: _____

Borrower hereby represents and warrants to Agent that Borrower's current name and organizational status is as follows:

Name:	Simplify Holdings, LLC d/b/a Second Time Around
Type of organization:	Limited Liability Company
State of organization:	Delaware
Organization file number:	4564506

Borrower hereby represents and warrants to Agent that the street addresses, cities, states and postal codes of its current locations are as follows:

EXHIBIT B

SECURED TERM PROMISSORY NOTE

\$[],000,000

Advance Date: ____ __, 20[]

Maturity Date: _____ __, 20[]

FOR VALUE RECEIVED, Simplify Holdings, LLC d/b/a Second Time Around, a Delaware limited liability company, for itself and each of its Qualified Subsidiaries (the "Borrower") hereby promises to pay to the order of Hercules Technology III, L.P., a Delaware limited partnership or the holder of this Note (the "Lender") at 400 Hamilton Avenue, Suite 310, Palo Alto, CA 94301 or such other place of payment as the holder of this Secured Term Promissory Note (this "Promissory Note") may specify from time to time in writing, in lawful money of the United States of America, the principal amount of [] Million Dollars (\$[],000,000) or such other principal amount as Lender has advanced to Borrower, together with interest at a rate as set forth in Section 2.2(c) of the Loan Agreement based upon a year consisting of 360 days, with interest computed daily based on the actual number of days in each month.

This Promissory Note is the Note referred to in, and is executed and delivered in connection with, that certain Loan and Security Agreement dated January 29, 2016, by and among Borrower, Hercules Technology Growth Capital, Inc., a Maryland corporation (the "Agent") and the several banks and other financial institutions or entities from time to time party thereto as lender (as the same may from time to time be amended, modified or supplemented in accordance with its terms, the "Loan Agreement"), and is entitled to the benefit and security of the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement), to which reference is made for a statement of all of the terms and conditions thereof. All payments shall be made in accordance with the Loan Agreement. All terms defined in the Loan Agreement shall have the same definitions when used herein, unless otherwise defined herein. An Event of Default under the Loan Agreement shall constitute a default under this Promissory Note.

Borrower waives presentment and demand for payment, notice of dishonor, protest and notice of protest under the UCC or any applicable law. Borrower agrees to make all payments under this Promissory Note without setoff, recoupment or deduction and regardless of any counterclaim or defense. This Promissory Note has been negotiated and delivered to Lender and is payable in the State of California. This Promissory Note shall be governed by and construed and enforced in accordance with, the laws of the State of California, excluding any conflicts of law rules or principles that would cause the application of the laws of any other jurisdiction.

**BORROWER FOR ITSELF AND
ON BEHALF OF ITS QUALIFIED SUBSIDIARIES:**

**SIMPLIFY HOLDINGS, LLC d/b/a
SECOND TIME AROUND**

By: _____
Title: _____

EXHIBIT C

NAME, LOCATIONS, AND OTHER INFORMATION FOR BORROWER

Borrower represents and warrants to Agent that Borrower's current name and organizational status as of the Closing Date is as follows:

Name: Simplify Holdings, LLC d/b/a Second Time Around
Type of organization: Limited Liability Company
State of organization: Delaware
Organization file number: 4564506

2. Borrower represents and warrants to Agent that for five (5) years prior to the Closing Date, Borrower did not do business under any other name or organization or form except the following:

Name: Simplify S.T.A., LLC
Used during dates of: 2/23/07 - present
Type of Organization: Limited liability company
State of organization: Delaware

Name: STA Rewards LLC
Used during dates of: 9/30/13 - present
Type of Organization: Limited liability company
State of organization: Virginia

Name: Second Time Around
Used during dates of: 6/17/08 - present

Name: 2nd Time Around
Used during dates of: 6/17/08 - present

3. Borrower's fiscal year ends on December 31.
4. Borrower's federal employer tax identification number is: 26-2874345.
5. Borrower represents and warrants to Agent that its chief executive office is located at 560 Harrison Avenue, Suite 501, Boston, MA 02118.

EXHIBIT D

BORROWER'S PATENTS, TRADEMARKS, COPYRIGHTS, DOMAIN NAMES, SOCIAL MEDIA ASSETS AND LICENSES

Patents

None.

Trademarks

See attached spreadsheet.

Copyrights

None.

Domain Names

www.2ndtimearound.com

www.secondtimearound.net



Social Media Assets

Borrower maintains accounts with Facebook, LinkedIn, Instagram, Glass Door, Twitter, and Snapchat.

Licenses

None, other than "shrink-wrap" software licenses.

Simplify Holdings, LLC
 Trademark Schedule
 1/20/2016

Mark	Filing Date	Status	International Class; Description of Goods and Services	Serial No.
	7/1/15	Pending	035. G & S: On-line consignment services whereby goods are received on consignment for auction on an online auction site; On-line retail consignment stores featuring clothing, accessories, jewelry, shoes and handbags; Retail apparel stores; Retail clothing boutiques; Retail clothing stores; Retail consignment stores featuring clothing, accessories, jewelry, shoes and handbags; Retail consignment stores in the field of clothing, accessories, jewelry, shoes and handbags; Second hand dealerships featuring clothing, accessories, jewelry, shoes and handbags.	86680703
	7/1/15	Pending	035. G & S: On-line consignment services whereby goods are received on consignment for auction on an online auction site; On-line retail consignment stores featuring clothing, accessories, jewelry, shoes and handbags; Retail apparel stores; Retail clothing boutiques; Retail clothing stores; Retail consignment stores featuring clothing, accessories, jewelry, shoes and handbags; Retail consignment stores in the field of clothing, accessories, jewelry, shoes and handbags; Second hand dealerships featuring clothing, accessories, jewelry, shoes and handbags.	86680701

Mark	Filing Date	Status	International Class; Description of Goods and Services	Serial No.
No Second Thoughts	9/27/2011	Registered; Reg. No. 4191947	035. G & S: On-line consignment services whereby goods are received on consignment in on-line retail stores featuring clothing, footwear, jewelry, accessories and handbags; On-line retail consignment stores featuring clothing, footwear, jewelry, accessories and handbags; Retail apparel stores; Retail clothing boutiques; Retail clothing stores; Retail consignment stores featuring clothing, footwear, jewelry, accessories and handbags; Retail consignment stores in the field of clothing, footwear, jewelry, accessories and handbags; Retail outlets featuring clothing, footwear, jewelry, accessories and handbags; Retail shops featuring clothing, footwear, jewelry, accessories and handbags; Retail store and on-line retail store services featuring clothing, footwear, jewelry, accessories and handbags; Retail store services featuring clothing, footwear, jewelry, accessories and handbags; Retail stores featuring clothing, footwear, jewelry, accessories and handbags; Retail clothing, footwear, jewelry, accessories and handbags stores.	85432795

Mark	Filing Date	Status	International Class; Description of Goods and Services	Serial No.
 <p data-bbox="188 354 451 396">SECOND TIME AROUND NO SECOND THOUGHTS</p>	9/27/11	Registered; Reg. No. 4286699	IC 035. G & S: On-line consignment services whereby goods are received on consignment in on-line retail stores featuring clothing, footwear, jewelry, accessories and handbags; On-line retail consignment stores featuring clothing, footwear, jewelry, accessories and handbags; Retail apparel stores; Retail clothing boutiques; Retail clothing stores; Retail consignment stores featuring clothing, footwear, jewelry, accessories and handbags; Retail consignment stores in the field of clothing, footwear, jewelry, accessories and handbags; Retail outlets featuring clothing, footwear, jewelry, accessories and handbags; Retail shops featuring clothing, footwear, jewelry, accessories and handbags; Retail store and on-line retail store services featuring clothing, footwear, jewelry, accessories and handbags; Retail store services featuring clothing, footwear, jewelry, accessories and handbags; Retail stores featuring clothing, footwear, jewelry, accessories and handbags; Retail clothing, footwear, jewelry, accessories and handbags stores.	85432794

Mark	Filing Date	Status	International Class; Description of Goods and Services	Serial No.
STA	1/28/10	Registered; Reg. No. 4013193	035. G & S: Consignment services, namely, promoting and marketing the horses of others; On-line consignment services whereby goods are received on consignment for auction on an online auction site; On-line retail consignment stores featuring clothing, jewelry, clothing and jewelry accessories and handbags; On-line retail store services featuring consignment of clothing, jewelry, clothing and jewelry accessories and handbags; On-line wholesale and retail store services featuring consignment of clothing, jewelry, clothing and jewelry accessories and handbags; Operating an on-line shopping site in the field of consignment of clothing, jewelry, clothing and jewelry accessories and handbags; Retail apparel stores; Retail clothing boutiques; Retail clothing stores; Retail consignment stores featuring clothing, jewelry, clothing and jewelry accessories and handbags; Retail consignment stores in the field of clothing, jewelry, clothing and jewelry accessories and handbags; Retail discount store services in the field of consignment of clothing, jewelry, clothing and jewelry accessories and handbags; Retail shops featuring consignment of clothing, jewelry, clothing and jewelry accessories and handbags; Retail store and on-line retail store services featuring consignment of clothing, jewelry, clothing and jewelry accessories and handbags; Retail store services featuring consignment of clothing, jewelry, clothing and jewelry accessories and handbags; Retail stores featuring consignment of clothing, jewelry, clothing and jewelry accessories and handbags; Retail consignment stores; Second hand dealerships featuring clothing, jewelry, clothing and jewelry accessories and handbags; Wholesale and retail store services featuring consignment of clothing, jewelry, clothing and jewelry accessories and handbags.	77922432

Simplify S.T.A., LLC
 Trademark Schedule
 1/20/2016

Mark	Filing Date	Status	International Class; Description of Goods and Services	Serial No.
SECOND TIME AROUND	1/25/93	Registered; Reg. No. 1809760	042. G & S: retail store services featuring men and women's second hand clothing.	74352160
RESALE GOES UPSCALE	4/14/08	Registered; Reg. No. 3857301	035.G & S: Administration of a discount program for enabling participants to obtain discounts on goods and services through use of a discount membership card; Fashion show exhibitions for commercial purposes; Franchise services, namely, offering business management assistance in the establishment and operation of consignment retail outlets; Franchising, namely, consultation and assistance in business management, organization and promotion;catalog ordering service featuring clothing, jewelry and accessories; Computerized on-line retail store services in the field of clothing, jewelry and accessories; Mail order catalog services featuring clothing, jewelry and accessories; Mail order services featuring clothing, jewelry and accessories; On-line consignment services whereby goods are received on consignment for auction on an online auction site; On-line retail store services featuring clothing, jewelry and accessories; Online retail consignment stores featuring clothing, jewelry and accessories; Operating an online shopping site in the field of clothing, jewelry and accessories; Promoting the goods and services of others through on-line ordering and	77447155

Mark	Filing Date	Status	International Class; Description of Goods and Services	Serial No.
			<p>cataloging of those goods and services. Providing an on-line showroom for the goods of others in the field of clothing, jewelry and accessories; Providing consumer information and related news in the field of clothing, jewelry and accessories; Providing consumer information in the field of clothing, jewelry and accessories; Providing information about the goods and services of others via the global computer network; Retail apparel stores; Retail clothing boutiques; Retail clothing stores; Retail consignment stores featuring clothing, jewelry and accessories; Retail consignment stores in the field of clothing, jewelry and accessories; Retail jewelry stores; Retail shops featuring clothing, jewelry and accessories; Retail store services featuring clothing, jewelry and accessories; Retail stores featuring clothing, jewelry and accessories; Retail clothing, jewelry and accessories stores; Second hand dealerships featuring clothing, jewelry and accessories.</p>	
SECOND TIME AROUND	1/15/04	Registered; Reg. No. 3081614	035. G & S: Retail store services and computerized online retail store services featuring pre-owned goods, namely, furniture, clothing, footwear, jewelry, accessories, household goods, home furnishings and décor and lighting fixtures.	78352518

EXHIBIT E

BORROWER'S DEPOSIT ACCOUNTS AND INVESTMENT ACCOUNTS

<u>Corporate Accounts</u>		<u>Bank</u>	<u>Address</u>	<u>Phone #</u>	<u>Account #</u>	
OPERATING						
CONSIGNOR - NEW	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 0698 7510	Operating Account	
CONSIGNOR	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4059 7542	Consignor Payable Account	
Murray Hill Letter of Credit	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 0698 7523	Consignor Payable Account	
First Ave Letter of Credit	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4044 7318	Letter of Credit in lieu of Lease security deposit	
Wicker Park Letter of Credit	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4044 1782	Letter of Credit in lieu of Lease security deposit	
STA Rewards, LLC	Bank of America	100 Federal St Boston MA 02110	617-434-4255	91000137678327	Letter of Credit in lieu of Lease security deposit	
				0046 4045 7420	STA Rewards LLC operating account (no activity)	

<u>Store Accounts</u>		<u>Bank</u>	<u>Address</u>	<u>Phone #</u>	<u>Account #</u>	
176 Newbury St.	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2749 6792	Store Depository Account	
219 Newbury St.	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2749 6763	Store Depository Account	
324 Newbury St.	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2749 6776	Store Depository Account	
Amsterdam	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4042 6105	Store Depository Account	
Brookline	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2113 2913	Store Depository Account	
Charles St.	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2749 6857	Store Depository Account	
Chelsea NY	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 1142 9652	Store Depository Account	
Chestnut St.	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2879 6035	Store Depository Account	
Englewood	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2113 2683	Store Depository Account	
Georgetown	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2113 2900	Store Depository Account	
Gramercy	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4042 6118	Store Depository Account	
Greenwich	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 1333 9423	Store Depository Account	
Haddonfield	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4043 3826	Store Depository Account	
Harvard Sq	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2749 6802	Store Depository Account	
Houston St	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 1333 9766	Store Depository Account	
Huntington	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2749 6828	Store Depository Account	
Las Olas Blvd	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 1142 9092	Store Depository Account	
Lexington Ave	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2879 2657	Store Depository Account	
Madison NJ	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 0140 1020	Store Depository Account	
Newton Centre	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 3815 2656	Store Depository Account	
Northampton	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4041 3419	Store Depository Account	
Portland	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 1142 9089	Store Depository Account	
Portsmouth	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2749 6815	Store Depository Account	
Scarsdale	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4044 8992	Store Depository Account	
Summit	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4043 1129	Store Depository Account	
Sunset Drive	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4044 0518	Store Depository Account	
Thompson	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2879 5269	Store Depository Account	
Upper West Side	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 2749 6844	Store Depository Account	
West 79th St (CPW)	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 4041 7981	Store Depository Account	
West Hartford	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 1142 9076	Store Depository Account	
Westport	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 1333 9012	Store Depository Account	
Wicker Park	Bank of America	100 Federal St Boston MA 02110	617-434-4255	0046 3815 2850	Store Depository Account	
Armitage	Chase Bank	270 Park Ave New York NY 10017	800-935-9935	263 228 172	Store Depository Account	
Evanston	Citibank	399 Park Ave New York NY 10043	800-285-3000	12 555 600 55	Store Depository Account	
Madison Ave	Citibank	399 Park Ave New York NY 10043	800-285-3000	12 554 666 91	Store Depository Account	
Burlington, VT	Citizens Bank	1 Citizens Plaza Providence RI 02903	401-456-7000	132550 106 6	Store Depository Account	

Thayer St.
Murray Hill
Needham
Wellesley

Citizens Bank
Santander Bank
Santander Bank
Wellesley Bank

1 Citizens Plaza Providence RI 02903
75 State St Boston MA 02109
75 State St Boston MA 02109
40 Central St Wellesley MA 02482

401-456-7000
617-346-7200
617-346-7200
781-235-2550
132550 105 8
196 106 1945
357 762 9630
46118902

Store Depository Account
Store Depository Account
Store Depository Account
Store Depository Account

EXHIBIT F

COMPLIANCE CERTIFICATE

Hercules Technology Growth Capital, Inc. (as "Agent")
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301

Reference is made to that certain Loan and Security Agreement dated January 29, 2016 and the Loan Documents (as defined therein) entered into in connection with such Loan and Security Agreement all as may be amended from time to time (hereinafter referred to collectively as the "Loan Agreement") by and among Hercules Technology Growth Capital, Inc., as agent for the Lender (the "Agent"), the several banks and other financial institutions or entities from time to time party thereto (collectively, the "Lender") and Simplify Holdings, LLC d/b/a Second Time Around (the "Company") as Borrower. All capitalized terms not defined herein shall have the same meaning as defined in the Loan Agreement.

The undersigned is an Officer of the Company, knowledgeable of all Company financial matters, and is authorized to provide certification of information regarding the Company; hereby certifies, in such capacity, that in accordance with the terms and conditions of the Loan Agreement, the Company is in compliance for the period ending _____ of all covenants, conditions and terms and hereby reaffirms that all representations and warranties contained therein are true and correct on and as of the date of this Compliance Certificate with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, after giving effect in all cases to any standard(s) of materiality contained in the Loan Agreement as to such representations and warranties. Attached are the required documents supporting the above certification. The undersigned further certifies that these are prepared in accordance with GAAP (except for the absence of footnotes with respect to unaudited financial statement and subject to normal year end adjustments) and are consistent from one period to the next except as explained below.

REPORTING REQUIREMENT	REQUIRED	CHECK IF ATTACHED
Interim Financial Statements	Monthly within 30 days	
Interim Financial Statements	Quarterly within 30 days	
Audited Financial Statements	FYE within 150 days	
INTEREST ONLY EXTENSION CONDITIONS	REQUIRED	ACTUAL
<u>Condition A</u>		
Overall Revenue from 1/1/16-6/30/16	\$9,512,000	\$ _____
Store/E-Commerce Contributions from 1/1/16-6/30/16	(\$110,000)	\$ _____

Condition B

Overall Revenue from 1/1/16-9/30/16 \$16,500,000 \$ _____

Store/E-Commerce Contributions from
1/1/16-9/30/16 \$508,000 \$ _____

PERFORMANCE MILESTONE REQUIRED ACTUAL

Overall Revenue from 1/1/16-9/30/16 \$17,417,000 \$ _____

EBITDA on a T3M basis as of 9/30/16 \geq \$0 \$ _____
[calculations
attached]

FINANCIAL COVENANTS REQUIRED ACTUAL

2016 Minimum Quarterly Revenue
(quarterly)—Same Store Sales Revenue
projections to Overall Revenue \geq 90% of Plan

 Quarter ending 3/31/16 \$3,858,000 \$ _____

 Quarter ending 6/30/16 \$5,203,000 \$ _____

 Quarter ending 9/30/16 \$5,601,000 \$ _____

 Quarter ending 12/31/16 \$6,416,000 \$ _____

2017 Minimum Quarterly Revenue
(quarterly)

 Overall Revenue—projections
 to actual \geq 80% of Plan _____%
 [calculations
 attached]

OR Same Store Sales Revenue—
 projections to actual \geq 90% of Plan _____%
 [calculations
 attached]

Minimum Cash (at all times) \$750,000 \$ _____

EQUITY COVENANT REQUIRED ACTUAL

 \$1,000,000 prior to
 4/30/16 \$ _____

Very truly yours,

SIMPLIFY HOLDINGS, LLC d/b/a SECOND
TIME AROUND

By: _____

Name: _____

Its: _____

EXHIBIT G

FORM OF JOINDER AGREEMENT

This Joinder Agreement (the "Joinder Agreement") is made and dated as of [], 20[], and is entered into by and between _____, a _____ [corporation] ("Subsidiary"), and HERCULES TECHNOLOGY GROWTH CAPITAL, INC., a Maryland corporation (as "Agent").

RECITALS

A. Subsidiary's Affiliate, Simplify Holdings, LLC d/b/a Second Time Around ("Company") has entered into that certain Loan and Security Agreement dated January 29, 2016, with the several banks and other financial institutions or entities from time to time party thereto as lender (collectively, the "Lender") and the Agent, as such agreement may be amended (the "Loan Agreement"), together with the other agreements executed and delivered in connection therewith;

B. Subsidiary acknowledges and agrees that it will benefit both directly and indirectly from Company's execution of the Loan Agreement and the other agreements executed and delivered in connection therewith;

AGREEMENT

NOW THEREFORE, Subsidiary and Agent agree as follows:

1. The recitals set forth above are incorporated into and made part of this Joinder Agreement. Capitalized terms not defined herein shall have the meaning provided in the Loan Agreement.
2. By signing this Joinder Agreement, Subsidiary shall be bound by the terms and conditions of the Loan Agreement the same as if it were the Borrower (as defined in the Loan Agreement) under the Loan Agreement, mutatis mutandis, provided however, that (a) with respect to (i) Section 5.1 of the Loan Agreement, Subsidiary represents that it is an entity duly organized, legally existing and in good standing under the laws of [], (b) neither Agent nor Lender shall have any duties, responsibilities or obligations to Subsidiary arising under or related to the Loan Agreement or the other agreements executed and delivered in connection therewith, (c) that if Subsidiary is covered by Company's insurance, Subsidiary shall not be required to maintain separate insurance or comply with the provisions of Sections 6.1 and 6.2 of the Loan Agreement, and (d) that as long as Company satisfies the requirements of Section 7.1 of the Loan Agreement, Subsidiary shall not have to provide Agent separate Financial Statements. To the extent that Agent or Lender has any duties, responsibilities or obligations arising under or related to the Loan Agreement or the other agreements executed and delivered in connection therewith, those duties, responsibilities or obligations shall flow only to Company and not to Subsidiary or any other Person or entity. By way of example (and not an exclusive list): (i) Agent's providing notice to Company in accordance with the Loan Agreement or as otherwise agreed among Company, Agent and Lender shall be deemed provided to Subsidiary; (ii) a Lender's providing an Advance to Company shall be deemed an Advance to Subsidiary; and (iii) Subsidiary shall have no right to request an Advance or make any other demand on Lender.

TRADEMARK

REEL: 006113 FRAME: 0065

3. Subsidiary agrees not to certificate its equity securities without Agent's prior written consent, which consent may be conditioned on the delivery of such equity securities to Agent in order to perfect Agent's security interest in such equity securities.
4. Subsidiary acknowledges that it benefits, both directly and indirectly, from the Loan Agreement, and hereby waives, for itself and on behalf on any and all successors in interest (including without limitation any assignee for the benefit of creditors, receiver, bankruptcy trustee or itself as debtor-in-possession under any bankruptcy proceeding) to the fullest extent provided by law, any and all claims, rights or defenses to the enforcement of this Joinder Agreement on the basis that (a) it failed to receive adequate consideration for the execution and delivery of this Joinder Agreement or (b) its obligations under this Joinder Agreement are avoidable as a fraudulent conveyance.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE TO JOINDER AGREEMENT]

SUBSIDIARY:

_____.

By:
Name:
Title:

Address:

Telephone: _____
email: _____

AGENT:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

By: _____
Name: _____
Title: _____

Address:
400 Hamilton Ave., Suite 310
Palo Alto, CA 94301
email: legal@herculestech.com
Telephone: 650-289-3060

EXHIBIT H

ACH DEBIT AUTHORIZATION AGREEMENT

Hercules Technology Growth Capital, Inc.
Hercules Technology III, L.P.
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301

Re: Loan and Security Agreement dated January 29, 2016 (the "Agreement") by and among Simplify Holdings, LLC d/b/a Second Time Around ("Borrower") and Hercules Technology Growth Capital, Inc., as agent ("Company") and the lenders party thereto (collectively, the "Lender")

In connection with the above referenced Agreement, the Borrower hereby authorizes the Company to initiate debit entries for (i) the periodic payments due under the Agreement and (ii) out-of-pocket legal fees and costs incurred by Agent or Lender pursuant to Section 11.11 of the Agreement to the Borrower's account indicated below. The Borrower authorizes the depository institution named below to debit to such account.

DEPOSITORY NAME	BRANCH
CITY	STATE AND ZIP CODE
TRANSIT/ABA NUMBER	ACCOUNT NUMBER

This authority will remain in full force and effect so long as any amounts are due under the Agreement.

SIMPLIFY HOLDINGS, LLC d/b/a SECOND TIME AROUND

By: _____

Date: _____

EXHIBIT I
BOARD APPROVED FINANCIAL PLAN
(for 2016 Fiscal Year)

Line	(\$ in 000s)	Q1'16 Mar-16	Q2'16 Jun-16	Q3'16 Sep-16	Q4'16 Dec-16
1	Same Store Sales	4,286	5,781	6,224	7,129
2	New Store Sales	-	250	1,306	1,794
3	<u>E-Commerce Sales</u>	<u>101</u>	<u>151</u>	<u>235</u>	<u>291</u>
4	Overall Net Revenue	4,387	6,182	7,764	9,214
5					
6	Same Store Gross Profit	2,429	3,280	3,531	4,046
7	New Store Gross Profit	-	139	725	996
8	<u>E-Commerce Gross Profit</u>	<u>47</u>	<u>71</u>	<u>110</u>	<u>137</u>
9	Overall Gross Profit	2,476	3,489	4,367	5,179
10					
11	Wages	1,013	1,146	1,339	1,446
12	Occupancy	1,176	1,278	1,423	1,433
13	<u>Other Store Expenses</u>	<u>433</u>	<u>432</u>	<u>530</u>	<u>597</u>
14	Total Store/E-Commerce Expenses	2,623	2,856	3,292	3,476
15					
16	Store/E-Commerce Contribution	(147)	633	1,075	1,703
17					
18	Corporate Marketing	33	46	58	69
19	E-Commerce	59	59	59	59
20	G&A	757	756	756	753
21	<u>Other OPEX</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
22	Total Corporate Expenses	849	861	873	881
23					
24	EBITDA	(996)	(228)	202	822

SCHEDULE 1
SUBSIDIARIES

Simplify S.T.A., LLC

STA Rewards, LLC

SCHEDULE 1.1
COMMITMENTS

LENDER	TERM COMMITMENT
HERCULES TECHNOLOGY III, L.P.	\$4,000,000
TOTAL COMMITMENTS	\$4,000,000

SCHEDULE 1A

EXISTING PERMITTED INDEBTEDNESS

(ii)

The Company issues letters of credit (the “Letters of Credit”) in lieu of security deposits with the landlords for the Company’s stores at the following locations:

520 Third Avenue
New York, NY 10016

1543 N Milwaukee Avenue
Chicago, IL 60622

334 First Ave
New York, NY 10009

These letters of credit represent cash on Simplify Balance Sheet that the Company cannot access.

Note that the location at 334 First Ave was closed in February 2015. The landlord at that location is entitled to \$30,000 under the related letter of credit, none of which has been drawn to date. The letter of credit will expire on April 8, 2016.

(v)

Please see attached spreadsheets of merchant accounts and corporate credit cards.

Store Accounts

<u>Store Name</u>	<u>Mercury (V/MC)</u>	<u>Amex</u>
176 Newbury St.	87 88430149919	2204473649
219 Newbury St.	87 88430149974	2200598365
324 Newbury St.	87 88430149985	2201781598
Amsterdam	87 88430149989	1310339536
Armitage	87 88430149993	3122547284
Brookline	87 88430150000	2201842374
Burlington, VT	87 88430150006	2440108611
Charles St.	87 88430150009	2200739209
Chelsea NY	87 88430150012	6319280152
Chestnut St.	87 88430150018	2372311779
Englewood	87 88430150021	2293808432
Evanston	87 88430162391	3124176314
Georgetown	87 88430150025	4080212467
Gramercy	87 88430150030	1310359781
Greenwich	87 88430150031	2060964822
Haddonfield	87 88430150033	2293703690
Harvard Sq	87 88430150034	2204524102
Houston St	87 88430150046	6318258282
Huntington	87 88430150038	1310504188
Las Olas Blvd	87 88430153621	1093174902
Lexington Ave	87 88430150042	6318389285
Madison Ave	87 88430150044	1310504162
Madison NJ	87 88430153616	2293793527
Murray Hill	87 88430150048	1310135827
Needham	87 88430150050	2200860161
Newton Centre	87 88430150062	2201938404
Northampton	87 88430150065	2202022968
Portland	87 88430150068	2180336612
Portsmouth	87 88430150069	2280157371
Scarsdale	87 88430169485	1311165328
Summit	87 88430150070	2293624284
Sunset Drive	87 88430153619	1093174878
Thayer St.	87 88430150071	2380280453
Thompson	87 88430150072	6318460904
Upper West Side	87 88430150077	6319641262
Wellesley	87 88430150084	2200652766
West 79th St (CPW)	87 88430189512	1311726111
West Hartford	87 88430150081	2061056404
Westport	87 88430150090	2060964830
Wicker Park	87 88430150091	3123648677
Corporate	87 88430150039	2201841293

American Express Corporate Cards

Card #

3787 505338 91010
3796 360896 21001
3796 365553 11004
3796 368474 71004
3796 368464 71005
3796 368554 71003
3796 368584 71000
3796 368644 72000
3796 368744 72008
3796 365513 81001
3796 394965 51001
3796 398984 01003
3796 887108 71000

SCHEDULE 1B

EXISTING PERMITTED INVESTMENTS

In 2014, Borrower made an equity investment of \$1,500,000.00 in Swapfish Inc. d/b/a Fashion Project, a Delaware corporation. Borrower has written the value of this investment down to zero.

SCHEDULE 1C

EXISTING PERMITTED LIENS

The Company has issued approximately \$900,000 of security deposits to landlords in connection with the leases of its retail locations.

Sourcentra has possession of shopping bags owned by the Company, with an approximate value of \$200,000.

The Letters of Credit.

SCHEDULE 5.3

CONSENTS

GEI Fund V, LP, Borrower's majority owner, is approving the Agreement and the transactions contemplated thereunder, and is also waiving its right of first refusal and anti-dilution rights with respect to the equity covenant reflected in Section 8.1 of the Agreement.

SCHEDULE 5.8

TAX MATTERS

Borrower is currently being audited by New York State for Sales & Use Tax. The outcome of this audit is pending.

SCHEDULE 5.9

INTELLECTUAL PROPERTY CLAIMS

None.

SCHEDULE 5.10
INTELLECTUAL PROPERTY

None.

SCHEDULE 5.11

BORROWER PRODUCTS

None.

SCHEDULE 5.14
CAPITALIZATION

Please see attached cap table.

SCHEDULE 1

The Members of the Company
1/13/2015

Class A Members:

<u>Name</u>	<u>Address</u>	<u>No. Class A Units</u>	<u>Capital Contribution*</u>	<u>Date of Capital Contribution</u>
GEC STA Fund I, LP		7,014	\$1,398	1/29/2015
GEC STA Fund I, LP		7,014	\$1,398	1/22/2015
GEC STA Fund I, LP		1,472	\$293	1/6/2015
GEC STA Fund I, LP		2,806	\$559	12/29/2014
GEC STA Fund I, LP		14,031	\$2,797	12/23/2014
GEI Fund V, LP		140,284	\$27,966	12/19/2014
GEC STA Fund I, LP		28,063	\$5,595	10/10/2014
GEI Fund V, LP	80 State Street Brooklyn, NY 11201	140,284	\$27,671	4/4/2014
GEI Fund V, LP	80 State Street Brooklyn, NY 11201	272,612	\$54,704	8/25/2013
GEI Fund V, LP	80 State Street Brooklyn, NY 11201	497,597	\$512.5	9/19/2011
Other Investors		1,496,460	\$295,000	various
Total Class A Units		2,607,637		

Class B Members:

<u>Name</u>	<u>Address</u>	<u>No. Class B Units</u>	<u>Capital Contribution</u>	<u>Date of Capital Contribution</u>
GEI Fund V, LP	80 State Street Brooklyn, NY 11201	476,325	\$538,425	4/7/2009
		797,000	\$797,000	5/1/2009
		1,050,000	\$1,050,000	6/5/2009
		339,575	\$339,575	6/30/2009
		1,440,903	\$1,481,240	9/19/2011
		1,545,326	\$1,612,500	9/19/2011
Other Investors		648,111	\$478,500	various
Total Class B Units		6,297,240		

Class B-1 Members:

<u>Name</u>	<u>Address</u>	<u>No. Class B-1 Units</u>	<u>Capital Contribution</u>	<u>Date of Capital Contribution</u>
GEI Fund V, LP		557,814	\$972,034	12/19/2014
GEI Fund V, LP	80 State St Brooklyn, NY 11201	557,814	\$972,034	4/4/2014
GEI Fund V, LP	80 State St Brooklyn, NY 11201	1,077,174	\$1,901,360	7/14/2013
Other Investor	71 Joralemon Street Brooklyn, NY 11201	13,946		11/21/2014
Total Class B-1 Units		2,206,748		

Class B-2 Members:

<u>Name</u>	<u>Address</u>	<u>No. Class B-2 Units</u>	<u>Capital Contribution</u>	<u>Date of Capital Contribution</u>
GEC STA Fund I, LP		26,271	\$ 48,601.35	1/29/2015
GEC STA Fund I, LP		26,271	\$ 48,601.35	1/22/2015
GEC STA Fund I, LP		5,516	\$ 10,204.60	1/6/2015
GEC STA Fund I, LP		10,509	\$ 19,441.65	12/29/2014
GEC STA Fund I, LP		52,547	\$ 97,211.95	12/23/2014
GEC STA Fund I, LP		105,094	\$ 194,423.90	10/10/2014
Total Class B-2 Units		226,208		

Class C Members:

<u>Name</u>	<u>Address</u>	<u>No. Class C Units</u>	<u>Capital Contribution</u>	<u>Date of Capital Contribution</u>
Class C Unit Holders		1,822,915		various
Total Class C Units		1,822,915		

Class D-1 Members:

<u>Name</u>	<u>Address</u>	<u>No. Class D-1 Units</u>	<u>Capital Contribution</u>	<u>Date of Capital Contribution</u>
Class D Unit Holders		203,517	\$ -	11/17/2014
Total Class D-1 Units		203,517		

Class D-2 Members:

<u>Name</u>	<u>Address</u>	<u>No. Class D-2 Units</u>	<u>Capital Contribution</u>	<u>Date of Capital Contribution</u>
Class D Unit Holders		203,517	\$ -	11/17/2014
Total Class D-2 Units		203,517		

Total Units Issued and Outstanding: 13,567,782

SCHEDULE 7.1(b)

ADDITIONAL MONTHLY REPORTING

- Month and year-to-date same store sales analysis, by store and e-commerce site
- Month and year-to-date and prior year month and year-to-date four-wall store profit and loss report, by individual store and consolidated (inclusive of e-commerce sites)
 - Format should be as follows:

Gross Merchandise Sales
Comp %
Total Ending Store Count

GROSS PROFIT

STORE EXPENSES

Wages
Occupancy
Other Expenses
Store Expenses

STORE CONTRIBUTION

In addition to the above, the consolidated number presentation should include the following:

CORPORATES, G&A
Corporate Marketing
E-Commerce
General and Administrative
Corporate S, G&A
ADJ. EBITDA
STORE OPENING COSTS - Actual
STORE OPENING COSTS - Forecast

SCHEDULE 7.19

POST-CLOSING ITEMS

On or before the time frames set forth below (or such later date agreed to by the Agent in its sole discretion in writing or as may be waived by the Agent in its sole discretion in writing), the Borrower shall execute and deliver to the Agent each of the following items and/or take the actions described below, in each case, to the Agent's reasonable satisfaction:

1. On or before March 15, 2016, Borrower shall put in place fully executed Account Control Agreements in favor of Agent covering all Deposit Accounts of Borrower (including Subsidiaries of Borrower) with the Primary Bank; provided that, if Borrower is continuing to use commercially reasonable efforts to put such Account Control Agreements in place, such date shall automatically be extended until March 22, 2016.

2. On or before March 1, 2016, Borrower shall have and maintain a minimum of \$1,000,000 of directors' and officers' insurance for each occurrence and \$1,000,000 in the aggregate, and shall deliver to Agent a certificate of insurance that evidences Borrower's compliance with this requirement.